



Daily Report

Near East & South Asia

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Barcelona Conference Preparatory Talks Continue

Algerian Delegation's Objectives Noted

*LD2807152395 Algiers Radio Algiers Network
in Arabic 1130 GMT 28 Jul 95*

[FBIS Translated Text] The proceedings of the Mediterranean forum will begin today in the Tunisian town of Tabarka with 11 foreign ministers from Arab and European Mediterranean coastal states, including Algeria, participating.

Algeria's Foreign Minister Mohamed Salah Dembri arrived in Tabarka yesterday evening to participate in this Mediterranean forum. This two-day meeting is taking place within the framework of preparations for the European Mediterranean conference to be held on 27 and 28 November in Barcelona, Spain.

The Tabarka meeting is also complementary to the Brussels meeting held on 14 July, where the stance of the AMU as a regional grouping was stressed. In this regard, Algeria is acting in its capacity as the current chairman of the AMU to promote this stance, which is basically exemplified in maintaining the existing framework between the AMU and Western Europe in general, and the EU in particular.

Thus, the AMU will not accept the removal of any of its members, and is working so that all its members participate in or attend this meeting.

In this context, a Maghreban diplomatic source in the Belgian capital explained that it is illogical for the AMU not to participate in the Barcelona meeting, as it is likely that the charter of the EU does not take into account the Maghreban experience, which is embodied in the establishment of the AMU.

For this purpose, the Algerian delegation in Brussels, which speaks for the AMU, is working for the participation of the five AMU members in the Barcelona meeting as an observer, like other groups and countries such as the United States, Russia, and the GCC. The Algerian delegation has also asked for the course of regional integration and interaction to be encouraged, for the states' commitment to joining the Nuclear Non-Proliferation Treaty to be recorded, and for stances to be adopted on issues of importance to the future of the Mediterranean region and its development, such as migration, terrorism, security, and stability.

Tunisia's Ben Ali Gives Address

*LD2907154995 Tunis Tunisian Republic Radio
Network in Arabic 1300 GMT 29 Jul 95*

[FBIS Translated Excerpt] [Tunisian] President Zine El Abidine Ben Ali this morning received in the

Carthage Palace the foreign ministers of the countries participating in the Mediterranean forum, which is taking place in Tabarka on 28-29 of July. On this occasion President Ben Ali made the following speech:

[Begin Ben Ali recording] In the name of God, the merciful, the compassionate. Your excellencies, ladies and gentlemen. It gives me pleasure to welcome you after your meeting in Tabarka. This meeting falls within the framework of the forums and meetings we have persisted in organizing to analyze the current and future situation in the Mediterranean and proceeds from our collective awareness of our common historical and civilizational heritage, the interaction of our cultures and peoples, and our eagerness to bolster ties, strengthen the channels of dialogue, and debate ideas on the most effective means and programs that will lead to the spread of the values of coexistence, cooperation, mutual understanding, and tolerance.

The profound changes the world is witnessing today place upon us the responsibility of strengthening the Mediterranean area and establishing its status so that we can make it an oasis of peace, stability, solidarity, and prosperity. [passage omitted]

In this regard, I stress again that a peaceful solution must be found to the current dispute between the Libyan Jamahiriyyah and some Western states on the basis of international legitimacy, thus ending the current difficulties facing the fraternal Libyan people and removing the risks of tension in the Maghreb region.

Out of its belief that there is no future for this region of the world without the existence of security, stability, and development, Tunisia has made several initiatives in the past five years to boost dialogue for restoring trust, peace, and cooperation in our region and direct the energies of all our peoples toward building a better future for our countries and forthcoming generations.

Our country has, since 1990, made calls to the European Commission with regard to setting up a new method of partnership for development in the Mediterranean Sea. [passage omitted] And we would like to reiterate on the occasion of your meeting here that the success of this forum will closely be linked to the participation of all Arab Maghreb countries, which should all be allowed to make contribution to the crystallization of its aims and to ponder the best means for realizing them to guarantee the structure and the existence of this forum and to balance the interests of all parties.

Your Excellencies, ladies and gentlemen. The vital and close interweavement of the interests of Mediterranean countries make regional cooperation between us one of the pillars of securing our common interests.

In this respect, Tunisia has come up with a number of initiatives aiming at consolidating cooperation and solidarity in our region by making joint assessments of the policies of our countries and our groupings, particularly with the EU, and preparing the necessary conditions to avert and resolve crisis and find the necessary formulas for bolstering the Mediterranean diplomatic efforts to prevent crises. Moreover, Mediterranean countries should today endeavor to revive dialogue in the region, bolster its channels, and unburden it from the effect of circumstantial crises and the repercussions of other regional and international policies. It is also the duty of all concerned parties to strive and link between security and stability, on one hand, and economic and social development, on the other, and endeavor to find the best solutions to eliminate all phenomena of fanaticism, extremism, and terrorism.

Furthermore, it is the duty of everyone to cooperate earnestly to face up the serious repercussions of these phenomena, which are now jeopardizing the security of the societies on the northern rims of the Mediterranean, especially now that extremist tendencies are using the territories of a number of Western countries to seek refuge, to prosper and to be active and thus jeopardizing the stability, democracy and human rights in the Mediterranean region, in particular, and in the world, in general. [passage omitted] [end recording]

Tunisian Foreign Minister on Results

LD2907162395 Kuwait KUNA in Arabic
1223 GMT 29 Jul 95

[Report by Sufyan Bin Humaydah]

[FBIS Translated Excerpt] Tabarka, 29 Jul — Tunisian Foreign Minister Habib Ben Yahya said that the participants in the meetings of the third round of the Mediterranean forum, which ended here today, expressed their condemnation of the ethnic cleansing operations in Bosnia-Herzegovina.

In a news conference held at the end of the proceedings of the two-day forum, in which the foreign ministers of four Arab and five European states participated, he explained that the forum had also expressed its condemnation of religious extremism and terrorist operations, from the attempt to assassinate Egyptian President Hosni Mubarak in the Ethiopian capital Addis Ababa to the bomb explosion in the Paris metro last week.

He indicated that the discussions also covered issues related to preparations for the meeting to be held in Barcelona next November in which the EU and 12 other states that have contractual relations with the EU will participate. [passage omitted]

On a question about Libya's absence from these meetings, Ben Yahya said that the subject of the participation of all the states situated on the Mediterranean in the forthcoming Barcelona conference had been discussed by the participants in the forum.

He said that many ideas had been put forward on Libya's participation in these meetings and that he hoped that a solution would be reached between the EU states and the rest of the states participating in the Barcelona conference on this subject. [passage omitted]

In reply to a question on the situation in Bosnia, [Spanish Foreign Minister Javier] Solana said that the EU member states did not want the war in former Yugoslavia to cause discord between the Islamic states and the others. He also said that the Mediterranean forum had for the first time contributed to establishing a sincere dialogue between the EU and some Islamic states participating in the meetings.

French Foreign Minister Herve de Charette expressed satisfaction with the fact that agreement was reached between the participants during the proceedings of the third session of the Mediterranean forum with regard to the need to find a negotiated political solution to the situation in the Republic of Bosnia-Herzegovina. [passage omitted]

In reply to a question concerning the relationship between Morocco and the EU and its application for membership in the Union, de Charette said that several states had expressed the wish to join the EU. [passage omitted]

The fourth session of the Mediterranean forum will be held in the Italian capital Rome and its date will be fixed later.

Algeria's Dembri Meets French Counterpart

LD2907223495 Algiers Radio Algiers Network
in Arabic 2200 GMT 29 Jul 95

[FBIS Translated Text] On the periphery of the Tabarka meeting, [Algerian] Foreign Minister Mohamed Salah Dembri had lengthy talks with his French counterpart. The talks dealt with the development of bilateral relations. Dembri said that all points of differences with regard to the problem of Air Algérie and the Algerian people who have an illegal status in France were reviewed. The meetings between the two sides, which were described as being constructive and very positive, also dealt also with the situation in Algeria. Dembri outlined Algeria's point of view with regard to the general program to emerge from the crisis.

Inter-Arab Affairs

League Chief: West's Case on Lockerbie 'Fragile'

NC3107171195 Cairo MENA in Arabic
1500 GMT 31 Jul 95

[FBIS Translated Excerpt] Cairo, 31 Jul (MENA)—Arab League Secretary General Dr. 'Isamat 'Abd-al-Majid has affirmed that the Arab states on the permanent committee drafting a code of honor for Arab security and cooperation agree on the points outlined by President Husni Mubarak in his speech before the Arab League on 22 March.

Speaking at the end of the committee meeting here today, Dr. 'Abd-al-Majid added that the draft plan for an Arab code of honor contains principles, a program of action, and a mechanism for implementation. [passage omitted]

In response to a question about the Security Council's decision to renew the sanctions on Libya, Dr. 'Abd-al-Majid stressed the need to take into consideration Libya's flexible stand and its readiness to settle this matter. He called for an end to these sanctions. He added that he personally believes that what was recently published in the British newspaper THE GUARDIAN on the existence of a document absolving Libya of any responsibility for the incident is yet another indication that the Western case against Libya is fragile. He emphasized that the Arab League is eager to present Libya's viewpoint. He added: We defend it and consider it to be a legally and politically sound position, and we will continue to adhere to this stand.

Islamic Affairs

OIC Talks With Western Contact Group on Bosnia

LD3007151995 Tehran IRNA in English
1350 GMT 30 Jul 95

[FBIS Transcribed Text] Tehran, July 30, IRNA — Moroccan Premier and Foreign Minister, Abdellatif Filali in Rabat on Sunday [30 July] held talks with diplomatic missions of the Western countries Contact Group on Bosnia to convey the message of the Islamic states on Bosnia.

Filali who is the periodic chairman of the Organization of the Islamic Conference (OIC), visited ambassadors of Germany, the U.S., the U.K., Northern Ireland [as received], and the charge d'affaires of France and Russia.

Filali invited the international Contact Group on Bosnia to hold a meeting with the OIC Contact Group to explore ways to stop Serbian aggression.

The OIC chairman also put emphasis on implementation of the United Nations Security Council resolutions stipulating protection of the safe havens in Bosnia.

Political Islam Review: AL-SHA'B

21 Jul

NC2907171595

[FBIS Editorial Report] The following is a comprehensive review of all items in the 21 July edition of the Arabic-language newspaper AL-SHA'B that pertain to political Islamic issues.

CONTENTS:

1. AL-SHA'B Reports Arrest of Muslim Brotherhood Members
2. Labor Party Leader Urges Solidarity With Bosnian Muslims
3. Human Rights Violations, Drive Against Islamic Groups Cited
4. Labor Party Member Assails Government, Stresses Islam's Role
5. Egyptian Committee Urges Support for Bosnia

AL-SHA'B REPORTS ARREST OF MUSLIM BROTHERHOOD MEMBERS

In a 1,300-word report by 'Abd-al-Hayy Muhammad on pages 1 and 8, AL-SHA'B leads with the arrest of Muslim Brotherhood members. Their arrests were initially reported by MENA on 18 July.

The report says the security agencies carried out a large-scale campaign of arrests covering 19 Brotherhood leaders in 15 governorates and gives their names.

The report adds that the defense for the Brotherhood members argued that the charges against them were malicious and that they revealed a political motive to exclude figures from nominations in parliamentary elections. It says the Defense Council issued a statement denying "allegations by some newspapers that the arrested Brotherhood members had joined a terrorist organization linked with Hasan al-Turabi in Khartoum." The statement denounced state-run newspapers' "attempts to tarnish the Brotherhood's image".

The report says the Brotherhood issued a statement saying the reasons for the latest security clampdown are not yet known. The report also says the Brotherhood's official spokesman, Ma'mun al-Hudaybi, stated that "these tough security measures" are "uncalled for and restrict people's movement at a time when we most need unity and understanding."

The report adds that the "Liberty Organization for the Defense of Freedoms" issued a statement denouncing the arrest campaign against the Brotherhood. The Physicians Union also issued a statement saying that four physicians were among those arrested in the latest campaign. The union called on every organization and force concerned with human rights to demand the release of "prisoners of conscience" and halt the random campaign of arrests, which "compromise, not serve, security and stability."

LABOR PARTY LEADER URGES SOLIDARITY WITH BOSNIAN MUSLIMS

A 125-word report on page 1 says Labor Party leader Ibrahim Shukri has emphasized the need to respond to the al-Azhar shaykh's call for holding prayers in all mosques after the Friday prayers to "stress our solidarity with the Bosnian Muslims." Shukri said the Friday sermons should focus on the "meaning of the slaughter and annihilation of Muslims in Europe and on ways to confront these heinous massacres, which are blessed by the Security Council and all the big powers."

He is quoted as saying: "We also demand that the government produce an accurate balance sheet of what it has given to the Bosnian Muslim nation. It banned the collection of people's contributions to support Bosnia and blocked the humanitarian relief committee and arrested its leaders."

HUMAN RIGHTS VIOLATIONS, DRIVE AGAINST ISLAMIC GROUPS CITED

An approximately 1,400-word report on page 2 by Khalid Yunus criticizes the security agencies' for carrying out arrests, human rights violations, and the torture of prisoners.

The report begins: "The death of lawyer Mustafa Muhammad 'Iraqi under mysterious circumstances in the al-Wadi al-Jadid Prison on 20 June has uncovered a diabolic chain in a series of human rights violations in Egypt. It revealed an advanced method used by the security authorities in dealing with Islamic groups and eliminating their members." The report says the security authorities, on the orders of the interior minister, added to their procedures the building of high-security jails to detain political prisoners.

The report says the Lawyers Union submitted a report to the Public Prosecutor that it had learned of the death of 35-year-old 'Iraqi, who had been in good health, an incident, it says, that arouses suspicion. The union is quoted demanding an investigation and a post mortem.

The report notes that 'Iraqi was not the first to die in al-Wadi al-Jadid Prison and that over 20 detainees met the

same fate before him. They died under torture, it adds. The report claims that there are over 3,000 political prisoners in that jail.

The report concludes by asserting: "The al-Wadi al-Jadid Jail is the new graveyard for political prisoners and opponents of the regime. This jail is the eyewitness of flagrant violations of human rights and it embodies the government's way of conducting dialogue with those who differ with it."

LABOR PARTY MEMBER ASSAILS GOVERNMENT, STRESSES ISLAM'S ROLE

AL-SHA'B's page 5 features an article written by Labor Party Secretary General 'Adil Husayn, who launches a strong attack on government policies in various spheres.

He begins his 3,600-word article by saying: "To all the nationalists who look forward to a better future for this nation, to all those who have an interest in stability, I am warning you that society will head toward an explosion by armed violence or by a bloody general revolution if we do not receive God's mercy."

He says the people do not trust the rulers and do not trust the conscience and competence of their majority, adding that the people are excused, because they see "corruption everywhere and that the rulers are above any law and accountability."

After noting deteriorating agricultural and industrial production, a "paralyzed" economy, and unemployment, he asks: "How long can this last? Can a regime based on all this corruption and disorder be stable no matter what tools of oppression and terror it uses? He then says the nation has not died and that "oppression might delay the explosion." He asks: "But how long, how long?"

The writer states: "Our hopes are great and our nation's energy can achieve miracles if it is employed to God's satisfaction."

He goes on: After the assassination attempt in Addis Ababa, AL-SHA'B stated that necessary and urgent political reform relies on three bases. He clarifies these as:

1. Reforming the procedure of issuing major decisions;
2. Introducing mechanisms to change governments; and
3. Recognizing Islam's role in directing society and the State.

After discussing the first two points, he turns to the third basis, Islam. He says: "We state here that the demand to apply Islam's principles in our political, cultural, and social life has become a general call, which is not

explicitly refused, except by staunch secularists who are contained by Western culture."

Turning to the latest arrest of Muslim Brotherhood members, the author says the confrontation of Brotherhood members is a political, not legal, campaign. He adds that if current law do not allow the formation of a Brotherhood party, the law could be amended if the political decisionmakers so desire. "But they do not want to."

He asks: "Why is there this artificial link between the Brotherhood and Dr. Hasan al-Turabi, who is depicted as an enormous terrorist devil? He then asserts that meeting al-Turabi and all the Sudanese leaders does not constitute a deviation from faith or a political or social crime. He adds: "Although what I am saying is true, I know that relations between the Islamic movement in Sudan and the Brotherhood have never been intimate to the point of participating in plots to overthrow all the regimes in the region."

He says that striking Brotherhood members before the elections is a blow to a strong side of the Islamic trend and "this is a crime jeopardizing stability and destroying one of the basic pillars of the political reform we advocate."

He addresses regime members, saying: "Rulers, you will be playing with fire and inciting the people and the youths to rebel against the regime and legitimacy if you insist on refusing any political reform and on forging the elections."

He then addresses other parties, saying: "Parties, we must step up the confrontation of the regime if we want to obtain our freedoms. He adds: "This should begin by showing public and explicit solidarity against what the Brotherhood members are suffering today. If you remain silent you will be unintentionally supporting the government's measures to rig the elections."

EGYPTIAN COMMITTEE URGES SUPPORT FOR BOSNIA

A 250-word unattributed report on page 8 says the Egyptian Committee for the Support of Bosnia has called on all the nationalist and popular forces and organizations to support the Bosnian people against "the hideous crimes they are suffering."

The report adds that the committee has urged Arab and Muslim governments to lift the arms embargo on Bosnia, open the door to citizens who wish to help lift the blockade against civilians, open the door to financial and material contributions, and suspend the Islamic countries' membership of the United Nations

in protest at its "ignominious" stance on the Bosnian issue.

The committee is said to have stressed the importance of severing economic and political ties with Serbia and closing its embassies in Egypt and in other Arab and Islamic countries.

25 Jul

NC3007181595

[FBIS Editorial Report] The following is a comprehensive review of all items in the 25 July edition of the Arabic-language newspaper AL-SHA'B that pertain to political Islamic issues.

CONTENTS:

1. Arrested Brotherhood Members Not Questioned on Contacts With Sudan
2. Journalists' Victory in Pushing Members Into Committee Noted
3. Bosnian Ambassador Interviewed
4. Brotherhood, Other Figures Address Rallies on Bosnia
5. Brotherhood's Mashhur Discusses Bosnia, Palestinian Issue, Egypt
6. Writers, Figures Say Brotherhood Members Arrested Not To Run in Elections

ARRESTED BROTHERHOOD MEMBERS NOT QUESTIONED ON CONTACTS WITH SUDAN

Pages 1 and 8 publish a 1,000-word report by Khalid Yunus on the arrest of Muslim Brotherhood members. The report says the defense lawyers of Brotherhood leaders arrested on Tuesday [18 July] sent warnings to newspapers and radio stations that published and broadcast what they called false reports about their clients. These reports said the Brotherhood leaders were being interrogated about contacts with al-Bashir's regime in Sudan. The warnings noted that "no such thing was mentioned in the State Security investigations or interrogations." The warnings asked the concerned sides to take the necessary legal measures to prevent the publication and broadcasting of such reports. The report states that State Security investigators in Kafr al-Shaykh stormed homes and arrested eight citizens accused of belonging to the Brotherhood. AL-SHA'B has learned, it continues, that interrogation of the arrested Brotherhood members revealed nothing about their relations with Sudan's Hasan al-Turabi. The rest of the report discusses the defense's policy in defending the arrested Brotherhood members, suggesting that the government acknowledges the existence of the Brotherhood when it suits its purposes, as happened

after the attempt on President Mubarak's life in Addis Ababa. The Brotherhood issued a statement condemning the attempt and the government press published the text of the statement.

JOURNALISTS' VICTORY IN PUSHING MEMBERS INTO COMMITTEE NOTED

On page 1 a 300-word unattributed report praises the victory journalists have scored by making the authorities respond to their protests and allowing four new members, some from the opposition papers and some veteran journalists, to join the committee entrusted with preparing the press law. The journalists note that they will not accept secrecy over the committee deliberations, but will publicize these deliberations. They also say they believe that President Mubarak's response to the journalists' demands is a point in favor of the president. "We believe," the journalists are cited as saying, "that the regime stands to gain when it responds to the fair demands of the popular committees. Such a policy contributes toward the stability of the country, as long as it is transformed into a general principle that is applied when dealing with journalists, and with all the unions, popular sectors, and political parties."

BOSNIAN AMBASSADOR INTERVIEWED

Page 1 carries a 700-word report on an interview with the Bosnian ambassador in Cairo by AL-SHA'B's 'Amir 'Abd-al-Mun'im. The Bosnian ambassador discusses events in Bosnia-Herzegovina, the effect of Serb attacks, what is called the international community's inaction on Bosnia, and other related issues. He asks the Islamic countries to provide Bosnia with weapons "in any way possible so that we can defend ourselves."

BROTHERHOOD, OTHER FIGURES ADDRESS RALLIES ON BOSNIA

On page 3 there is a 4,000-word unattributed report on popular rallies held at the Lawyers and Doctors Associations in support of the Muslims in Bosnia-Herzegovina. Crowds showed up and filled the halls late into the night, the report says. The people attending the rallies heard a report from the Bosnian ambassador in Cairo and various figures addressed the rally. Among those who spoke was the Brotherhood's first deputy general guide, Mustafa Mashhur. He said the enemies of Islam are now concentrating on Egypt because it is the heart of the Islamic world. He asked the Muslims not to feel disheartened, because, while things in the Islamic world have been deteriorating, they have recently started to improve, thanks to the Islamic movements and to God. He discussed what he called Western collusion over Bosnia against the Muslims and urged Muslims to

support Islam everywhere and "not be fooled by what is called peace with the Zionist enemy." He said "the issue of Palestine will not be resolved quickly, but needs time, effort, and alertness." He maintained that the Israelis will never give up their goal of establishing a greater Israel.

Ahmad Sayf-al-Islam Hasan al-Banna, a Brotherhood member and secretary general of the Lawyers Association, also addressed the rally, asserting that crimes in Bosnia are a violation of every human rights charter. "The crisis in Bosnia-Herzegovina," he said, "reveals the policy of the big powers who apply double standards." He called for unity and solidarity among the Arab and Islamic countries so that they can have some weight in the world. The Bosnian ambassador addressed the rally and discussed the futility of all the UN resolutions that have been issued, none of which, he said, are being applied except for the weapons ban on Bosnia. He referred to an "ugly international conspiracy" headed by UN Secretary General Butrus-Ghali to eliminate the Muslim people.

Speaking for al-Azhar Grand Imam Jad-al-Haqq 'Ali Jad-al-Haqq, Shaykh Muhammad 'Abd-al-Wahhab said a recent statement by the al-Azhar grand imam on Bosnia expressed the views of all the men of religion, who feel great pain over what is happening. He advocated unity among the 46 Islamic countries to stop the Security Council and the UN in their tracks.

BROTHERHOOD'S MASHHUR DISCUSSES BOSNIA, PALESTINIAN ISSUE, EGYPT

Mustafa Mashhur, in his 2,000-word column on page 5, entitled "To the Cheats and Cheated, the Oppressors and Oppressed," addresses various topics in three sections. The first discusses the Bosnian issue, the second the Palestinian issue, and the third Egypt. He begins by saying that the world is full of crises and wars, some of which he will review in his column in the hope that he sheds some light on these issues from which humanity can learn something. On Bosnia, he says Butrus-Ghali was carefully chosen as UN secretary general for this particular period to eliminate Muslims. He calls on the Muslim countries not to adhere to the weapons ban on Bosnia. He accuses the Muslim countries of simply issuing statements on Bosnia at international forums while maintaining diplomatic and trade relations with the Serbs and their allies. He says the Muslims should support the Bosnians with weapons and financing and take steps against the Serbs.

On the Palestinian issue, Mashhur, after reviewing the various stages of the peace process between the Arabs and the Israelis, warns that the battle with Israel "will

come and there is no way out of it. Victory will be for the Muslims." He asks governments to prepare their people for this battle.

Mashhur then moves on to discuss Egypt and reviews the various steps and measures the Egyptian regime has taken against the Brotherhood since it was established. He reviews the arrests and detention of various Brotherhood members. Members detained recently, he says, have been accused of having contacts and relations with al-Turabi and Sudan's regime and of being terrorists. These are the same people who are willing to give up their lives for the sake of the Muslims in Bosnia. The oppressed must be patient and not weaken, he advises. They must realize that God is on their side, he concludes.

WRITERS, FIGURES SAY BROTHERHOOD MEMBERS ARRESTED NOT TO RUN IN ELECTIONS

On page 8 the paper carries a 2,500-word survey by Qutb al-'Arabi of the opinions of various figures and writers on the recent arrests of Brotherhood members. Among those whose opinion is solicited are the Doctors Association doyen, Hamdi al-Sayyid, communist lawyer Nabil al-Hilali, Wafd Party deputy leader Yasin Siraj-al-Din, the AL-AHRAM chief editor's adviser, Salamah Ahmad Salamah, and other lesser known writers. They all agree that the recent arrests came as a surprise to them. They also say they believe that the government's objective is to prevent the Brotherhood leaders from running in the upcoming parliamentary elections.

Palestinian Affairs

Groups Claim Responsibility for Ramat Gan Bombing

Hamas Leaflet Makes Claim

TA0108122095 Jerusalem Qol Yisra'el in Hebrew
1200 GMT 1 Aug 95

[FBIS Translated Text] Hamas [Islamic Resistance Movement] has assumed responsibility for the Ramat Gan bus attack. A leaflet distributed by the organization's military arm says that the attack was perpetrated in revenge for the assassination of several Hamas fugitives in the Hebron area, including Tahir Qafishah.

Our correspondent Yoni Ben-Menahem reports that according to the leaflet, a terrorist named Abu-Musayyib perpetrated the attack, but his real name or place of origin were not specified.

Hamas Leaders Doubt Veracity of Leaflet

TA0108143095 Jerusalem Qol Yisra'el in Hebrew
1400 GMT 1 Aug 95

[FBIS Translated Text] Several Hamas [Islamic Resistance Movement] activists in the territories doubt the veracity of the leaflet claiming that Hamas is responsible for the Ramat Gan bus bombing.

Ghazi Hamad, a leading Hamas member in Gaza, said that no announcement assuming responsibility for the bombing is credible as long as the identity of the suicide bomber remains unknown.

Another leading member, Ibrahim al-Yazuri of Gaza, said that he had no information whatsoever about Hamas' responsibility for the bombing and that the leaflet could be a fake.

Our correspondent Yoni Ben-Menahem points out that the leaflet signed by the 'Izz-al-Din al-Qassam battalions said the attack was perpetrated by a terrorist nicknamed Abu-Musayyib, but did not note his real name or where he came from.

[Tel Aviv IDF Radio in Hebrew at 1400 GMT on 1 August carries a similar report, adding: "Prime Minister Yitzhaq Rabin today said he was not briefed about such a leaflet."

[Rabin said: "I have not seen anything. At this moment I know nothing for certain. I assume a radical Islamic element is behind it."]

Breakaway 'Hizballah-Palestine' Makes Claim

NC0208094495 Paris AFP in English
0927 GMT 2 Aug 95

[FBIS Transcribed Excerpt] Beirut, Aug 2 (AFP)—An anonymous caller from a Lebanon-based group called Hizballah-Palestine on Wednesday [2 August] claimed responsibility for a suicide attack on a Tel Aviv bus which left the bomber and six Israelis dead.

"Hizballah-Palestine proudly announces the death of the heroic martyr Jamal Fayiz al-Yusuf, author of the attack against the bus," the caller to AFP said. [passage omitted]

Hizballah-Palestine is a breakaway group from Fathi al-Shaqi's Islamic Jihad organization in Palestine, and has been silent for two years. Previously it made claims for attacks which were rarely verified.

Reportage of Abu-Murzuq Detention Continues**Hamas Warns U.S. of 'Consequences'**

NC0108180695 Paris AFP in English
1600 GMT 1 Aug 95

[FBIS Transcribed Text] Damascus, Aug 1 (AFP) — The Islamic Resistance Movement Hamas on Tuesday [1 August] warned the United States of "serious consequences" if it continued to ignore calls to free one of the group's key leaders.

"We urge the American administration to respond to our demand and not to provoke Arab and Moslem public opinion with measures which would bring serious consequences," Hamas said in a statement distributed in Damascus.

The Moslem fundamentalist group threatened Monday to carry out "military operations" against American targets if Washington extradited Musa Abu-Marzuq, head of the Hamas Political Bureau, to Israel.

Abu-Marzuq, 44, was detained in New York on arrival last week from Dubai in connection with "known or suspected engagement in terrorist activities."

Israel on Monday began proceedings for the extradition of the man it accuses of masterminding a bloody campaign of terror against Jews.

Hamas, which spearheads the armed struggle against Israeli occupation and PLO autonomy, has claimed responsibility for a series of suicide bombings in the past year.

Hamas, Islamic Jihad View Detention

MM0108153695 London AL-SHARQ AL-AWSAT
in Arabic 30 Jul 95 p 3

[Reports by Mufid 'Awwad in Amman, AL-SHARQ AL-AWSAT bureau in London, and agencies: "Washington Warned Against Continued Detention of Abu-Marzuq"]

[FBIS Translated Excerpt] Several Palestinian organizations yesterday warned the U.S. authorities that continued detention of Dr. Musa Abu-Marzuq, held during a recent visit to Washington, would have dire consequences for the United States. In occupied Jerusalem, Israeli Prime Minister Yitzhaq Rabin said that Israel is very much interested in the extradition of Abu-Marzuq.

Hamas has addressed a message to President Bill Clinton through a number of U.S. embassies in several countries concerning the detention of Abu-Marzuq, chairman of the movement's Political Bureau, in New York last Thursday.

Hamas Spokesman Engineer Ibrahim Ghawshah has told AL-SHARQ AL-AWSAT that the message asks the U.S. President to immediately release Dr. Abu-Marzuq, who committed no legal immigration or residence offense when entering the United States last week.

The message talks about the circumstances of the arrest of Abu-Marzuq, who has a U.S. residence permit and whose children are studying at American universities. It said that the Hamas Political Bureau chairman visited the United States in December 1994 and nobody intercepted him, which confirms that he is not responsible to the U.S. authorities for any political or judicial charges which might be trumped up against him.

Ghawshah said that Hamas feared that there was some U.S.-Israeli coordination to do with striking at the movement or thwarting its jihad operations against the occupation. He said that some conclusions could be drawn from the arrest of Dr. Musa Abu-Marzuq, including:

1. That there is coordination between the United States and Israel on the matter.
2. That the decisionmakers in the Zionist entity are constantly determined to prepare a list of charges and get a court order from a Zionist court that would bind the United States under the so-called extradition agreement between the two sides.
3. That there are indications that the authorities detaining Abu-Marzuq are delaying the decision on the question of referring the case to a magistrate as required under the law, as if to give the Zionist authorities time to make their preparations.

He expressed Hamas' belief that if the U.S. authorities hand Dr. Abu-Marzuq over to Israel, it would mark a major and fundamental turning point in Hamas' position. The movement's spokesman did not give any more details.

A statement issued by the Islamic Jihad Movement in Palestine said that the FBI's arrest of Abu-Marzuq was a serious measure and denoted a shift in the U.S. position. It condemned that criminal attitude and called for the immediate release of Abu-Marzuq, warning the United States against extraditing him to the Zionist entity and saying that any bid to extradite him would be tantamount to an American-Israeli attempt to shift the battle outside Palestine. The Muslim Brotherhood in Jordan expressed extreme concern about Abu-Marzuq's detention. In a statement issued yesterday, it condemned the U.S. measure and saw it as a new indication of the U.S. Administration's alignment with the Zionist enemy. [passage omitted]

Family Appeals to Clinton

TA0108135895 Tel Aviv YEDI'OT AHARONOT
in Hebrew 1 Aug 95 p 1

[Report by David Regev]

[FBIS Translated Text] "Being the head of a peace-seeking democratic country and a supporter of the peace process and the Palestinian people, we ask you to release our dear son, Dr. Musa Abu-Marzuq, from custody so that he may go back to his wife and family."

This request is contained in a letter sent yesterday to U.S. President Bill Clinton and Secretary of State Warren Christopher by members of the Abu-Marzuq family in Gaza.

The letter, written in English, was delivered to the U.S. consul in Israel. It goes on to say, among other things: "Your Excellency, Mr. President, being the father of a daughter it will hurt you to see a father of children being held in custody. What crime did he commit against humankind?"

"As members of his family, we know that he will not harm the peace process, and we ask you and your democratic and peace-seeking country to release our beloved son."

Mahmud Abu-Marzuq, Dr. Musa Abu-Marzuq's brother and commander of the civil defense forces in the autonomous area in the Gaza Strip, yesterday told YEDI'OT AHARONOT: "My brother is a political man. He has nothing whatsoever to do with any military arm, and he does his political job as do many others. There is no reason to arrest him and extradite him to Israel, and we demand his immediate release."

Al-Husayni Urges U.S. To Talk to Leader

JN0108114095 Jerusalem Qol Yisra'el in Arabic
0955 GMT 1 Aug 95

[Report by radio correspondent Ahmad 'Ubaydat from the "With the Middy Events" program—recorded]

[FBIS Translated Text] ['Ubaydat] Faysal al-Husayni briefed the foreign consuls with whom he met at Orient House today on the latest developments in the peace process, the conduct of the Israeli rightists outside Orient House and their aggressions against the Arab inhabitants of East Jerusalem.

[Al-Husayni] In fact, this was a periodic meeting. We hold regular meetings with the consuls, but this meeting in particular aimed to brief them on the latest developments, especially the settlers' practices around Orient House and in Jerusalem, their attacks against citizens' properties a few days ago, their continuous provocations, including opening fire in residential areas,

and several other serious provocations that may have serious repercussions in the area and adversely affect the peace process. Talks also tackled developments of the peace process.

['Ubaydat] Responding to a question on the Israeli request to extradite Hamas leader Musa Abu-Marzuq, who is currently detained in the United States, al-Husayni said:

[Al-Husayni] On the basis of information available to us, Musa Abu-Marzuq politically represents the Islamic trends, and he is a man of dialogue and negotiations. Therefore, if Israel wants to broaden the horizon of its negotiations, it should talk to Abu-Marzuq and not arrest him.

Hamas Urges Readers To Fax Clinton

JN0108112195

[Editorial Report] Amman AL-RA'Y in Arabic on 1 August publishes on page 26 the following boxed advertisement by the Islamic Resistance Movement, Hamas:

"In the name of God, the merciful, the compassionate. The Islamic Resistance Movement (Hamas) — Palestine. An Important Call.

"In an extremely serious move, the U.S. authorities apprehended Dr. Musa Abu-Marzuq, head of the Political Bureau of the Islamic Resistance Movement, Hamas, at John Kennedy Airport on Tuesday, 25 July 1995, as he was legally entering the United States.

"Despite intervention by several quarters during the first few days of the incident, the U.S. authorities refused to release Dr. Abu-Marzuq, claiming that his arrest was related to measures previously taken by U.S. President Bill Clinton's administration against a number of Islamic figures.

"The most serious development was the initiation of U.S.-Israeli contacts to turn Dr. Abu-Marzuq over to the Zionist enemy authorities as part of security cooperation between the two sides.

"It will be recalled that the Zionist occupation authorities have decided to officially request the extradition of Dr. Abu-Marzuq, encouraged by the U.S. Administration, which has placed itself at the disposal of the Zionist lobby.

"Brother and sister readers: In order to contribute to the efforts aimed at pressuring the U.S. Administration into releasing Dr. Musa Abu-Marzuq, please cut out the attached letter and fax it to one of the following numbers

in the United States: The White House 001-202-456-6218; the Department of State 001-202-647-7120; the Attorney General's office 001-202-514-4371."

The attached letter is written in Arabic and English. The following is an FBIS translation of the Arabic version:

"Esteemed Mr. Bill Clinton, president of the United States of America—Washington,

"We received with great concern the news of your security authorities' apprehension of Dr. Musa Abu-Marzuq, head of the Political Bureau of the Islamic Resistance Movement-Hamas, without any legal justification.

"This measure has caused great resentment and bolstered feelings of bias in your foreign policy against Arabs and Muslims. Should you fail to remedy the situation, a wave of anger will sweep the Arab homeland and Islamic world against the vital interests of your country.

"Any move on the part of your government to turn Dr. Abu-Marzuq over to the Israeli authorities will be very risky and considered a hostile act against the entire Islamic world, the consequences of which will be borne by your country.

"We demand that you release Dr. Abu-Marzuq, guarantee his safety, and refrain from any measures that may place the United States in open confrontation with the Arab and Islamic nation."

The following is the English version of the letter as published in the paper below the Arabic version:

"H.E. [His Excellency] William Jefferson Clinton
"President of the United States of America
"The White House,
"Pennsylvania Avenue
"Washington, DC

"With great concern, we received the news of your security authorities' detention of Dr. Musa Abu-Marzuq, head of the political bureau of the Islamic Resistance Movement (Hamas) without any legal justification. This move had caused our extreme dissatisfaction and abhorrence. In our view, this can only add to the depth of the feeling of the biased nature of your foreign policy against Arabs and Muslims. Failure on your part to act now to avert this, would only result in a wave of anger throughout the Arab and Islamic world."

"Name.....
Country
Signature....."

'Very Close' Link Reported Between Hamas, Iran
TA2807183795 Jerusalem Qol Yisra'el in Hebrew
0405 GMT 28 Jul 95

[FBIS Translated Excerpt] The security forces have arrested a Gaza Strip terrorist who underwent military training in Iran. It transpires from his interrogation that there is a close link between Hamas [Islamic Resistance Movement] in the territories and Iran. Hamas Palestinian activists train in three Iranian camps. Yoni Ben-Menahem is in the studio with more details:

[Ben-Menahem] The Iranian-Hamas link is apparently very close. In October 1991, against the background of the Madrid conference, Iran sponsored an Islamic and Palestinian rejectionist conference in Tehran. This conference decided on the modus operandi to foil the peace process. It included all the radical elements — led by Hizballah — and advanced Hamas' status, which was preferred to the PLO.

In October 1992, Musa Abu-Marzuq, head of Hamas' political department, met with senior Iranian leaders, headed by President Rafsanjani, and officers of the Revolutionary Guards, in order to coordinate operations and logistics. Iran undertook to give Hamas \$30 million in annual financial aid, train 3,000 fighters — especially in warfare in urban areas — train intelligence officers, and give it access to radio and television stations in Lebanon's al-Biq'a Valley. Hamas conscripts were to train in three camps in Iran: a base in northern Tehran and two camps near Qom.

Hamas fugitives from the Gaza Strip who had fled to Egypt during Israel's occupation, and from there escaped to Sudan, went to Iran to train in these bases. Israel managed to capture one of them when he tried to infiltrate back into the Gaza Strip. Sulayman Malalhah is a member of Hamas' military arm. He fled the Gaza Strip in 1993, reached Egypt, where he was detained by the security forces and then arrived in Sudan. In January 1994, he left with three other Hamas fugitives via Damascus to train in Iran. Abu-Samih Hamdan, a Hamas representative in Iran received them together with an Iranian representative and took them to a military base for training. I met with the terrorist Sulayman Malalhah, who is detained in Ashqelon prison, and heard from him about his activities in Iran.

Malalhah says they were trained in the use of Kalashnikovs and revolvers, and given lessons on Islam — although the Iranians are Shiites and the Hamas activists are Sunnis — and the Iranian revolution. The group also trained in shooting, field craft, parades, topography, and physical fitness, and received instruction on safety, stake-outs, and the use of maps. Hamas apparently has a big office in Tehran headed by Engineer

'Imad al-'Alami, a Gazan deportee, who was recently also deported from Jordan and is the right-hand man of Musa Abu-Marzuq, who was detained in the United States. [passage omitted]

Sha'th Comments on Brief Meeting With Beilin

JN0208141795 Jerusalem Qol Yisra'el in Arabic
0930 GMT 2 Aug 95

[Interview with Dr. Nabil Sha'th, minister of planning and international cooperation for the Palestinian Authority, by Yasir 'Atilah on 2 August; place not given—recorded]

[FBIS Translated Text] [Atilah] Dr. Nabil Sha'th, the meeting between you and Economy and Planning Minister Yosi Beilin at Larome Hotel this morning did not take place. Why?

[Sha'th] There are always problems at the Erez crossing. Actually, they do not happen all the time. Today I came with a delegation. They do not usually search my car, but today when we arrived, they insisted on searching the cars of the members of the delegation who came with me. I insisted on not searching the cars. Otherwise, we would all go back to Gaza. This took 40 minutes, which reminds us of the trouble the citizens have to go through daily at the Erez crossing. Regrettably, it was because of this that I met with our friend Minister Yosi Beilin only for a few minutes.

['Atilah] What was the subject of your talks during these few minutes?

[Sha'th] We began a dialogue at the Ministry of Economy and Planning in Tel Aviv a few days ago on cooperation in economic planning, preparation for the coming Barcelona and Amman conferences, as well as cooperation in the area of computers and other areas. Today's meeting was attended by EU's Mr. (Eberhard Rine) and others. The conversation also dealt with joint European-Israeli—Palestinian issues.

['Atilah] Did you also meet with the European commission?

[Sha'th] Yes. We will meet again this afternoon for talks on European-Palestinian cooperation.

['Atilah] What did you talk about?

[Sha'th] This morning's meeting centered on Palestinian-European-Israeli cooperation. This afternoon, however, it will focus on Palestinian-European cooperation.

['Atilah] You also met with Professor (Hierschfeld) from the Haifa University?

[Sha'th] Yes. Mr. (Hierschfeld) played a significant role in reaching the Oslo agreement, and he still plays a role in Israeli-Palestinian economic relations. Actually he, along with others on the Israeli side, and myself believe that future Israeli-Palestinian relations should not be limited to the negotiations currently underway in Elat. There should always be opportunities to arrive at a comprehensive solution in the future. Of course this does not, and should not, conflict with the need to successfully conclude the Elat negotiations.

['Atilah] Speaking of the Elat negotiations, Dr. Nabil, could you brief us on what is going on there, especially since they are held behind closed doors?

[Sha'th] The talks in Elat are laborious, deep, and intensive. They incorporate 100 people from each side, which is a huge number. Based on my experience in previous negotiations, I have never believed that we could conclude them on 1 or 25 July as was previously agreed. What can be said is that in order to finish what is required the negotiators have to work very hard until the end of this month. Of course, this period can be shortened through good intentions. Work is hard and the issues under negotiations; namely, security, redeployment of Israeli forces, and transfer of powers, are still facing some obstacles in terms of concept rather than details.

['Atilah] Is there anything new on the release of prisoners, especially since you are the head of the Palestinian team tackling this issue?

[Sha'th] Actually, there is nothing new because after our last meeting we stopped for a week or 10 days following the Ramat Gan operation. As I said before, we have to work on two tracks. The issue of prisoners has to be negotiated in the Elat talks, and it should be part and parcel of the agreement that will be signed. At the same time, my team and I, along with the three ministers forming the Israeli committee Liba'i, Sarid, and Shahal, should continue negotiations, in addition to those held in Elat, to deal with details that may be too intricate for the committees to tackle.

['Atilah] Dr. Nabil Sha'th, official in charge of planning and international cooperation at the Palestinian Authority, thank you very much.

[Sha'th] Thank you.

Yusuf: No Elections Without Hebron, Bethlehem

TA3007104595 Jerusalem Qol Yisra'el in Hebrew
1000 GMT 30 Jul 95

[FBIS Translated Text] Palestinian Police Commander Nasr Yusuf is touring Hebron today, together with

Mayor Mustafa al-Natshah, and is scheduled to visit the Cave of the Patriarchs as well. Our correspondent Gay Qotev reports that in an address at the city hall, General Yusuf said that there will be no elections without Hebron and Bethlehem and that Hebron is an integral part of the West Bank, which is an integral part of Palestine.

Al-Husayni Receives Jerusalem-Based Consuls

JN0108190695 *Jericho Voice of Palestine in Arabic*
1800 GMT 1 Aug 95

[FBIS Translated Text] Faysal al-Husayni, official in charge of the Jerusalem dossier at the National Authority, received the foreign consuls stationed in occupied Jerusalem at the Orient House today.

He discussed with them the settlers' provocative actions against the Orient House, the peace process, and the latest developments in the Palestinian-Israeli negotiations to implement the Declaration of Principles.

Arab-Israeli Talks

Israeli-Palestinian Talks To Resume 7 Aug

Jerusalem Radio: 'No Progress'

TA0208055495 *Jerusalem Qol Yisra'el in Hebrew*
0400 GMT 2 Aug 95

[FBIS Translated Text] The cabinet will not authorize the transfer of another eight civil powers to the Palestinians in Judaea and Samaria at its session today. The talks in Elat are ending at the end of the week. Sources in Israel said the talks are due to resume next Monday [7 August] at an as yet unspecified location.

Our political correspondent Shlomo Raz reports that no progress has been made so far on the main issues such as water, electricity, and security affairs. A source in the Palestinian delegation noted that although the discussions were intensive, the major disagreements remained unresolved. The differences center mainly on security issues, including control over the rural areas, security arrangements in Hebron and Bethlehem, the timetable for the IDF's [Israel Defense Forces] withdrawal from the town centers, and the release of prisoners.

'Azmi al-Shu'aybi, a member of the Palestinian Authority, told our correspondent Yoni Ben-Menahem that the Palestinians were opposed to the expropriation of large areas of land near Ramallah and Bethlehem for the purpose of building bypass roads.

Sha'th on Delays in Talks

TA0208104395 *Jerusalem THE JERUSALEM POST in English* 2 Aug 95 p 2

[Report by Jon Immanuel]

[FBIS Transcribed Text] A plan to release more than 1,000 security prisoners when redeployment talks are completed must be reassessed because the talks are taking longer than expected, Palestinian Authority Planning Minister Nabil Sha'th said yesterday.

"We have to meet again. I assumed there would be a one-week delay (beyond the July 25 target date). We have to make a fresh assessment of what has to be done," he said.

Sha'th headed the Palestinian team on the release of prisoners which met with an Israeli team on July 14.

As a member of the PA follow-up committee on negotiations, Sha'th said he does not expect the talks to be completed soon and blamed that on a basic inconsistency in the Israeli position on redeployment.

"The Labor Party, before the elections, talked about political and security settlements, but if you look at where it wants to keep overall security responsibility, it has nothing to do with security settlements," he said.

The IDF [Israel Defense Forces], he noted, will leave Tulkarm and Qalqilyah, both close to large Green Line settlements, but remain near Arab villages to protect every far-flung settlement.

"We are becoming hostages to the settlers first, and only after that to the security of the State of Israel. It is an annexationist problem first and then a security problem."

Sha'th said the three-tier model presented by Israel — withdrawal from major towns, partial withdrawal from villages, and responsibility for roads and settlements — is difficult to implement. "No maps have been presented to the Palestinian side. The differences are conceptual," and the two sides have not yet reached the stage of working on the text of an agreement.

Sha'th said the way out of the logjam is "joint patrols, joint stationed units, joint coordination. We are talking about a joint peace, two peoples who live inside each other."

Election talks which started a year ago "are the closest to resolution," he noted, having gotten past the conceptual differences.

He said the number of members on the elected council will be based on the number of Palestinians who sat in Jordanian and Egyptian councils from the territories before 1967.

According to election committee member Muhammad Shatiyah that number is 82, though the figure 74 has been mentioned. This is way above the original Israeli

expectation of a 30-member council. Jerusalem residents will be able to stand as candidates by establishing a second address outside Jerusalem.

Algeria**FFS Declines Invitation to Election Talks**

*LD0108155995 Paris Radio France International
in French 1230 GMT 1 Aug 95*

[FBIS Translated Excerpt] There is a very strong possibility that the Algerian authorities could, once again, find themselves all alone on 12 August, the date set for a meeting — the roundtable talks — with the political parties on organizing the presidential elections. The National Liberation Front [FLN] said this morning that it will not be going to the talks. And now the Socialist Forces Front [FFS], another of the signatories at the Rome talks, has also just rejected President Liamine Zeroual's invitation. Mustapha Bouhadeb, acting secretary general of the FFS, has just explained this to Adala Benraad:

[Begin Bouhadeb recording] As far as we are concerned, the elections need to come within the framework of a global, peaceful political solution leading to a return to the polling booths. These talks are not part of such a framework at all. So the FFS has decided to decline the invitation to these talks. [passage omitted]

We have been officially — officially, I must stress — denied access to the national television, which is supposed to be a public service. There is only one voice that can be heard and that is the voice of the authorities. In these conditions, one cannot have democratic elections because we have no guarantee about the way they are to be held and the outcome of the voting. [end recording]

Dembri Hails Mediterranean Dialogue Process

*MM0108105395 London AL-HAYAH in Arabic
31 Jul 95 pp 1, 6*

[Interview with Foreign Minister Mohamed Saleh Dembri by Rachid Khachanah in "the Tunisian city of Tabarqah, which is close to Algeria, following the conclusion of the Mediterranean Conference" on 29 July]

[FBIS Translated Text] [Khachanah] The preparations for the presidential elections necessitate the participation of all active political sides, which in turn demand the continuation of the dialogue with all sides. How far is Algeria now from having a comprehensive national dialogue?

[Dembri] Dialogue in the political field in Algeria is the only course that can rally members of the Algerian family as a whole. Of course, dialogue demands from all components of the political class a special degree of shrewdness, so that a national rallying around the common destiny and the future horizons of Algerian society can be achieved. With regard to the dialogue,

it is continuing without any difficulties and it has now become a matter of routine for all of us.

[Khachanah] Even with the Islamic Salvation Front [FIS]?

[Dembri] With all those who wish to contribute to protecting the Constitution and the democratic system, building a state of law in Algeria, and securing a prosperous future for every Algerian.

[Khachanah] But the parties to the National Covenant have been banned from holding meetings in some provinces....

[Dembri] This report does not seem true to me.

[Khachanah] But it is true, and the ban was enforced in more than one Algerian city.

[Dembri] In fact, all the parties are invited to actively contribute to the building of a system of democratic pluralism acceptable to all.

[Khachanah] What did you discuss with French [Foreign] Minister de Charette and what were the most important results of your meeting with him?

[Dembri] We discussed numerous matters. But I would like to explain first that Minister de Charette was the one who asked to meet with me. He sent me a letter on 6 July in which he suggested that we should meet at Tabarqah to discuss bilateral relations and the pending issues resulting from them, particularly those involving some circumstantial difficulties.

[Khachanah] The French attributed the Paris Metro explosion to one of two probabilities: The first is that some Algerians were behind it, and the second is that some Serbian elements might have been behind it. What is your position in regard to these intimations?

[Dembri] Several nationalities could also be enumerated in this manner. I do not know who intimated that some Algerians could have been behind the Paris Metro explosion. We must move from the sphere of suppositions and assumptions to the sphere of facts that are proven by investigations in a tangible manner. Suppositions never establish any facts.

[Khachanah] But violence is a fact in Paris or in Algeria. Is it not so?

[Dembri] Violence is a comprehensive phenomenon which has affected the whole region from Spain, to Austria, to Turkey, to the Balkan countries, to the Mediterranean countries. It is not an Algerian phenomenon. Today, we must act against the elements which nourish this

violence. If the phenomenon of violence seems to appear in our country at most times, the elements which nourish and support it exist in other countries.

[Khachanah] To what extent can the European-Mediterranean dialogue help in facing up to the problems which hinder the development of the countries of the South?

[Dembri] What we lack in this part of the world is comprehensive dialogues. Appropriate frameworks for dialogue have been created in other regions, such as in Asia or America. We, on both sides of the Mediterranean, are working for the creation of institutions for dialogue and cooperation between the United Europe [the European Union] and the countries abutting on the Mediterranean sea with a view to having these institutions see the light of day at the Barcelona Conference. This was originally a French idea that was sponsored by Spain. We are anxious to ensure that our dialogue would be one between equal parties, that is, a well-balanced dialogue among internally integrated groupings.

[Khachanah] Do you believe that there has been tangible progress in this regard?

[Dembri] The dialogue among the Mediterranean countries has begun to crystallize and take a definite shape. We are now in the third round of the Mediterranean Conference, the first round having taken place at Alexandria and the second at Ste. Maxime (France). This is the first time that a comprehensive framework for dialogue has crystallized with all its various dimensions. We all must work to serve the equal interests of the countries on both banks of the Mediterranean, to control migration, to realize common development, and to ensure stability and security in the Mediterranean region.

[Khachanah] Was the question of Libya's participation raised at the conference?

[Dembri] The Arab Maghreb should participate as a social entity in the Mediterranean Conference. I met with my colleague Tunisian Foreign Minister Habib Ben Yahya prior to the Tabarqah meeting and we agreed to raise with the European side the question of the participation of Libya and Mauritania in the conference. I had conveyed this position to the delegation of the European Troika which visited Algeria within the framework of the preparations for the Barcelona conference. We have also expressed this position once more during the recent meetings at Tabarqah.

[Khachanah] Does Morocco share your attitude?

[Dembri] Of course. We are agreed on raising the question of cooperation with Europe within the framework

of the collective Maghreb resources. It is a farce that there can be a European-Mediterranean dialogue in the absence of Libya, which has the longest shores on the Mediterranean (2,000 km). I believe that the Arab Maghreb will be present at the Barcelona Conference as a collective entity because there is no longer any room for individual adventures or isolationist dealings with the European Union.

Broadcast of New Election Programs Begins **LD0108214795**

[FBIS Editorial Report] Algiers ENTV Television Network in Arabic at 1900 GMT on 1 August, immediately following the regularly scheduled newscast, begins broadcasting a special program on the upcoming presidential election. The announcer says:

"As mentioned before the headlines, the news section will begin to broadcast a special report on the elections. It will contain various topics, including the latest news on preparations for the presidential election, factual reports on the homeland's provinces and the extent of preparations for the event in them, interviews with citizens on the importance of the elections, and other issues.

"The program will be broadcast on Saturdays, Sundays, Mondays, and Tuesdays immediately after the 2000 [1900 GMT] news. Today, we start the first in the series of the new program."

Today's program contains the following:

1. Introduction and background information — President Zeroual has decided on holding the elections, which will be held by the end of this year. Zeroual has invited political figures and organizations to begin another phase of national dialogue, starting on 12 August, to discuss setting up an independent committee to monitor the election.
2. Controversy over Article 180 of the election law, which stipulates that a presidential nominee's wife must be an Algerian citizen by origin.
3. Report on the province of Boumerdes and preparations for the election there.
4. Report on the province of Guelma and preparations for the election there.

Egypt

Mubarak-King Husayn Summit Opens

NC0108124095 Cairo Arab Republic of Egypt Radio Network in Arabic 1130 GMT 1 Aug 95

[FBIS Translated Text] The Egyptian-Jordanian summit between President Mubarak and King Husayn of Jordan

opened this afternoon. The Jordanian monarch arrived at the al-Muntazah Palace today to congratulate President Mubarak on escaping the aborted assassination attempt in Addis Ababa.

Information Minister Safwat al-Sharif stated that the talks focused on various issues, primarily the Middle East peace march, in light of recent developments on the Palestinian-Israeli track, as well as recent developments in the Syrian-Israeli negotiations and the ongoing contacts to bring the Palestinian and Israeli views closer. The talks also dealt with the Arab situation, efforts to clear the atmosphere and consolidate joint Arab action through the Arab League, and bilateral relations and cooperation in the various fields.

The information minister added that President and Mrs. Mubarak will host a luncheon for the Jordanian monarch and his wife.

Minister al-Sharif added that Prime Minister Dr. 'Atif Sidqi held talks with his Jordanian counterpart, Zayd Bin-Shakir. The talks discussed bilateral ties and ways to strengthen cooperation.

He added that the two sides agreed to hold a meeting of Arab prime ministers in September and another meeting for senior Egyptian and Jordanian officials soon.

Sidqi, Jordan's Bin-Shakir Talk

*NC0108122995 Cairo MENA in Arabic
1150 GMT 1 Aug 95*

[FBIS Translated Text] Alexandria, 1 Aug (MENA)—At noon today Prime Minister Dr. 'Atif Sidqi held talks with Jordanian Prime Minister Zayd Bin-Shakir, who is accompanying King Husayn on his visit to Egypt. Information Minister Safwat al-Sharif said the talks focused on bilateral ties and assessing joint bilateral cooperation in various fields. He said agreement was reached to convene a meeting of the Higher Egyptian-Jordanian Ministerial Committee under the prime ministers of both countries in September. They also set a date for a meeting of a committee of experts and senior officials to prepare for the ministerial committee meeting. The talks were attended on the Egyptian side by Information Minister Safwat al-Sharif and Foreign Minister 'Amr Musa and on the Jordanian side by Foreign Minister 'Abd-al-Karim al-Kabariti.

Mubarak, King Husayn Hold News Conference

*NC0108155495 Cairo MENA in Arabic
1450 GMT 1 Aug 95*

[FBIS Translated Excerpt] Alexandria, 1 Aug (MENA)—President Husni Mubarak and King Husayn of Jordan have underlined the need for the Middle East

peace process to continue for the sake of establishing security and stability and a just and lasting peace that involves all regional people.

The two leaders reaffirmed at their press conference at al-Nuzhah International Airport today their eagerness to reunite the Arab household and restore Arab solidarity.

They praised the strong relations that prevail between Egypt and Jordan, stressing the need to maintain and further consolidate them in various fields.

President Mubarak opened the conference by welcoming his brother King Husayn and his wife Queen Nur in Egypt, underlining our strong bilateral relations in various field. We are working together to reunite the Arab household, Mubarak said, hoping that all Arabs will soon share one united viewpoint.

Replying to a question on the peace process, President Mubarak underlined the need for it to continue. He expects the Palestinians and Israelis to reach a final solution despite the difficulties.

Touching on the Syrian-Israeli talks, President Mubarak expressed the hope that the two sides will resolve their differences by the end of the year, although their negotiations are proceeding rather slowly.

The Jordanian monarch said in reply to a question that there is constant cooperation between Egypt and Jordan to guarantee integrated, all-embracing cooperation among all Arab states.

Touching on the Middle East peace process, King Husayn said that it is a serious process seeking a just and comprehensive peace.

Replying to a question on Bosnia, President Mubarak said that Egypt, Jordan, and the entire Arab nation back the Bosnian people but that there are many outside impediments in this connection. We will wait and see what the United States and Europe will do, he said, expressing the hope that a solution will be found before the situation develops into a violent confrontation between the two sides in Bosnia.

King Husayn said that his visit to Egypt is for the purpose of congratulating his brother President Husni Mubarak on escaping the sinful assassination attempt in Addis Ababa and to congratulate all Egyptians on the safety of the president.

He reiterated his country's rejection of terrorism, noting that Jordan has suffered much from this. We have to defend our religion from those who are manipulating it, he said.

Replying to a question, President Mubarak said: I am looking forward to the establishment of a Arab common

market. He pointed out that the idea originated in the 1960's, before the EC was established. He pointed out that the economic conference to be held in Jordan in October is something else. [passage omitted]

King Husayn Departs

NC0108135795 Cairo Arab Republic of Egypt Radio Network in Arabic 1322 GMT 1 Aug 95

[FBIS Translated Text] King Husayn of Jordan and his wife left Alexandria a short while ago following a brief visit to Egypt of several hours, during which he held talks with President Mubarak.

The two leaders held a press conference at the end of the visit, in which they replied to reporters questions on a number of Arab and international issues.

Musa Demands Urgent Meeting of Contact Group

NC0108143095 Cairo MENA in Arabic 1350 GMT 1 Aug 95

[FBIS Translated Text] Paris, 1 Aug (MENA)— French Foreign Minister Herve de Charette received a message today from Foreign Minister 'Amr Musa that stresses the need to take urgent measures to stop the constant Serbian aggression against the Muslims of Bosnia-Herzegovina.

Delivered by Egyptian Ambassador in Paris 'Ali Mahir, the message demands an urgent meeting between the contact group of the Organization of the Islamic Conference and the International Contact Group on Bosnia, which includes the United States, Britain, France, Germany, and Russia, to tackle the crisis and preclude further deterioration.

Musa expressed Egypt's deep concern at human rights violations, ethnic cleansing, and the failure to respect international agreements and resolutions.

Three Arrested in Connection to Mubarak Attack

NC0108212795 Cairo MENA in Arabic 2105 GMT 1 Aug 95

[FBIS Translated Text] Addis Ababa, 1 Aug (MENA)— The Ethiopian Government has announced that three of the 11 terrorists who carried out the failed assassination attempt of President Husni Mubarak in Addis Ababa on 26 June have been arrested.

In a press statement issued this evening, the Ethiopian Interior Ministry said that a group of two persons were involved in the assassination attempt from outside Ethiopia while a second group, made up of nine persons, managed to enter Ethiopia to carry out the operation. The ministry added that all members of the two groups are Egyptian citizens sent by a well-known Islamic

terrorist group, called the Islamic Group, to carry out the plan in Addis Ababa.

The statement adds that of the nine terrorists sent by the group to Ethiopia, five were killed, three were arrested, and only one person managed to escape.

An armed terrorist group opened fire at President Mubarak's motorcade as he left Addis Ababa airport on his way to the site of the 31st African summit, but President Mubarak ordered the car driver to turn back to the airport and from there he returned to Cairo.

Further on Arrests

EA0108220695 Addis Ababa Radio Ethiopia Network in Amharic 1700 GMT 1 Aug 95

[Statement by Ministry of Interior issued in Addis Ababa on 1 August]

[FBIS Translated Excerpt] [passage omitted] The illegal terrorist act that made our country's capital a field of war was conducted by Jama'at al-Islamiyyah which deployed 11 harbingers of doom. These 11 extremist terrorists have been identified as Egyptians. The extremist criminals who took part in the terrorist act were divided into two groups. The first group was assigned to map out strategies, follow up the plan, and control the execution of the plan, while the second group was assigned to implement the plan of doom in Addis Ababa. [passage omitted]

In the action taken by our police and security forces on the day of the assassination attempt, only two terrorists were killed, and the two who were wounded managed to escape, while one of the terrorists was arrested on the same day. The two killed were 'Abd-al-Quddus al-Qadi, and Mustafa 'Abd-al-Aziz. Those who were wounded were 'Abd-al-Hadi Muhammad, and Muhammad 'Abd-al-Radi. On the same day, one who was not at the scene of the incident, but was working in another area to implement the terrorist act, Safwat Hassan, was arrested through the actions of law-abiding citizens, who were rewarded by the Ministry of Internal Affairs.

The following day, that is 27 June, our police force which mobilized itself with information, managed to arrest the terrorist Khalifah, alias al-Arab Sadiq, and the following day, that is 28 June, it arrested Yasin, alias 'Abd-al-Karim al-Naji. [passage omitted]

Report of Split in MB Ranks, Ousting of Guide

NC0108114895 Cairo AL-AHRAM in Arabic 26 Jul 95 p 1

[FBIS Translated Text] Serious divisions in the ranks of the banned Muslim Brotherhood [MB] have resulted

in the ousting of the group's general guide, Hamid Abu-al-Nasr, from his post for refusing to escalate the confrontation with the security bodies. Mustafa Mashhur has taken over the management of the group and has already started to activate Brotherhood wings in several governorates to incite the masses by exploiting any incident that occurs.

Responsible security sources have said the State Security Intelligence Service has monitored the actions of some of the banned group's wings in several cities in the Governorates of Kafr al-Shaykh and al-Buhayrah. These actions included meetings of Brotherhood officials in the town of Fawah. Nine members were arrested.

MB General Guide Denies Report

NC0108120095 Cairo AL-SHA'B in Arabic 28 Jul 95 pp 1, 8

[FBIS Translated Text] Hamid Abu-al-Nasr, the general guide of the Muslim Brotherhood (MB), has issued a statement from his place of residence in Manfalut denying reports of any split in Brotherhood ranks. The statement said:

AL-AHRAM, in its issue of 26 July, reported a split in the Brotherhood group and that Mustafa Mashhur had ousted the Brotherhood's general guide from his post.

In line with my duty and to highlight the truth and the facts, I would like to stress that these claims are baseless and that the ties of brotherhood, love, and respect bind those who spread and preach brotherhood and love to the people. Their weapon is the good word and deed. I pray to God to guide the authors and writers to be truth and honesty, to avoid perdition and destruction, and to find the sources of real news to check the validity of their reports.

Opposition Paper: Increased Violence in South

NC0108133295 Cairo AL-SHA'B in Arabic 28 Jul 95 p 1

[FBIS Translated Text] Violence has escalated again in Upper Egypt, particularly in the al-Minya and Asyut Governorates. Deaths among the police and attackers have increased, peaking with the killing of a police major general. In the past week alone, sources said an armed attack targeted a police vehicle in Qaryat al-Ildarah, west of Mallawi, wounding a recruit driving the vehicle and three civilian passengers. A few days earlier gunmen attacked a pickup driven by a recruit in al-Minya Governorate on the al-Maghaliqah road. The driver and three civilians were wounded. The presence of civilians in police vehicles is worth noting. Sources said police are transporting farmers and taxi drivers

in police vehicles during their raids as civilian human shields in the confrontation with the gunmen. This is a new development in the confrontation.

In Asyut the police launched a major campaign in Dayrut and on the Salim coast. Sources said civilians attacked the village bank in al-'Iqal al-Bahri in al-Badari. The sources confirmed the criminals used firearms indiscriminately in the attack. One employee and one citizen were hurt and 1,000 pounds was stolen. The culprits fled.

Naval Units Return From Exercises With Saudis

NC0108114795 Cairo MENA in Arabic 1040 GMT 1 Aug 95

[FBIS Translated Excerpt] Safajah, 1 Aug (MENA)—Egyptian naval units taking part in the Egyptian-Saudi naval exercise codenamed Coral-1 have returned home. This was the first such naval exercise between two Arab states in modern times and the Egyptian Navy's first exercise outside territorial water.

The Egyptian naval vessels covered over 4,500 km during the exercise, which began on 25 July [date as received] and ended on Saturday [29 July].

The exercise is a great step toward boosting military cooperation between Egypt and Saudi Arabia and exchanging naval expertise. This has a positive effect on the Red Sea and pan-Arab security, particularly as Egypt and Saudi Arabia are the largest countries in the Arab region and have the longest shorelines on the Red Sea. The joint Egyptian-Saudi exercise, Coral-1, is part of the Egyptian Armed Forces' annual training plans with brotherly and friendly countries. [passage omitted]

Libya

Cooperation Agreements With Russia Signed

NC0108163995 Cairo MENA in Arabic 1550 GMT 1 Aug 95

[FBIS Translated Text] Tripoli, 1 Aug (MENA)—Diplomatic sources in the Libyan capital say that relations between Tripoli and Moscow will experience tangible progress in the next few days, now that the problem of Libya's debts to the former Soviet Union, estimated at \$2.5 billion, have been settled. Libya has admitted that Russia is the heir of the former Soviet Union.

According to the sources, the two countries signed several agreements valued at \$1.5 billion in Moscow last week. These entitle Russia to take part in the construction of gas pipelines and electricity lines and

stations in Libya. Moreover, the two countries agreed to establish a joint venture.

'Abdallah al-Badri, secretary of the People's Committee for Petroleum and Energy, signed several agreements in Moscow last week. Under these agreements the two countries will establish a joint committee to consolidate cooperation in the economic, scientific, and technological fields.

Russian Deputy Prime Minister Oleg Davydov, who signed the agreements with the Libyan official, said that the sanctions imposed on Libya will not affect bilateral ties. He pointed out that Libya's condemnation of terrorism and its positive initiatives in this connection constitute a successful step.

The two countries' relations had been lukewarm during the past two years.

Libyan Oppositionists Hold Meetings in London

MM0208112895 London AL-HAYAH in Arabic
1 Aug 95 p 6

[Unattributed report: "Libyan Oppositionists Meet in London"]

[FBIS Translated Text] London, AL-HAYAH — Over the past few days the British capital has witnessed extensive meetings between Libyan national opposition leaderships including Bashir al-Rabiti (head of the Libyan National Organization); Dr. Muhammad al-Muqaryif, secretary general of the National Front for the Salvation of Libya; Major 'Abd-al-Mun'im al-Huni, chairman of the Coordination Committee of the Libyan Nationalist and Democratic Forces; and 'Izz-al-Din al-Ghadamisi, that committee's spokesman. They met "to discuss the nature and dimensions of the cause of national struggle at this stage."

A source close to the conferees has told AL-HAYAH that discussions at these meetings also covered ways of reactivating and developing all forms of struggle, with emphasis on the principles of coordination and cooperation, to raise the level of solidarity and interaction among all Libyan national opposition factions. These

meetings were held in the light of the local, regional, and international developments related to the Libyan cause in general."

Sudan

Egypt Accused of Freezing Expatriates' Assets

NC0108203795 Paris AFP in English
2015 GMT 1 Aug 95

[FBIS Transcribed Text] Khartoum, Aug 1 (AFP) — Sudan accused Egypt on Tuesday [1 August] of freezing assets held by Sudanese expatriates in the country and said it was beginning legal action to try to recover the money.

Foreign Ministry official Anwar al-Hadi said the assets, estimated unofficially to be worth 80 million dollars, were frozen last month when relations deteriorated after Cairo implicated Khartoum in an attempt to kill President Husni Mubarak.

The ministry said the Egyptian authorities froze bank accounts and confiscated property owned by Sudanese in Egypt after the failed attempt to kill Mubarak in Addis Ababa on June 26.

In Cairo, Egyptian officials were unable to confirm that Sudanese assets had been seized.

Security Authorities Dismiss 90 Officers

NC0108162395 Cairo MENA in Arabic
1540 GMT 1 Aug 95

[FBIS Translated Text] Khartoum, 1 Aug (MENA)—According to sources in the Sudanese capital, the security authorities have dismissed 90 officers and noncommissioned officers of the security apparatus, including 30 officers ranking between lieutenant and major.

The sources attribute this measure to recent incidents at Khartoum University. The sources add that the dismissed persons worked in former President Ja'far Numayri's security apparatus during the multiparty era.

Bahrain

Police Arrest Shiite Leader Amid Unrest

NC0108210495 Paris AFP in English
2047 GMT 1 Aug 95

[FBIS Transcribed Text] Nicosia, Aug 1 (AFP) — Police in Bahrain arrested a Shiite religious leader amid a fresh wave of political unrest in the Gulf state, an opposition group charged Tuesday [1 August].

The Bahrain Freedom Movement, in a statement received in Nicosia, said Shaykh 'Ali 'Ashur, 28, a pro-democracy campaigner, was arrested at home on Monday and taken to an unknown destination after months of official harassment.

The group said the authorities made a series of arrests after clashes in the Bani Jamrah area and scores of youths disappeared after raids on homes in the Tubli neighbourhood.

There was no independent confirmation of the claims.

Opposition groups, campaigning for the restoration of parliament and the constitution, suspended in 1975, have called for the release of political prisoners held after a wave of protests between December 1994 and April this year.

The protests left at least 12 dead, including three policemen.

They mainly involved poor Shiite Moslems, who account for an estimated 55 percent of the population according to Western diplomats and 35 percent according to the government.

Kuwait

Heir Apparent Recalls Iraqi Invasion

LD0108132595 Kuwait Radio Kuwait in Arabic
1000 GMT 1 Aug 95

[FBIS Translated Text] Heir apparent and Prime Minister Shaykh Sa'd al-'Abdallah al-Salim al-Sabah stressed that 2 August 1990 was not only a hard day but also a calamity that took place only a few hours after his meeting with an Iraqi delegation in Jeddah, where an agreement was reached to hold another meeting in Baghdad and a third one in Kuwait to resolve issues in dispute between the two countries.

His highness, in the first interview to Muhammad Jasim al-Saqr, chief editor of the newspaper AL-QABAS, talked about the background of the invasion and the details of the black day. The first installment was published today. He said: It became clear from the first moment that the Iraqi regime planned to occupy Kuwait

and not just carry out a limited operation. He added that he followed the movements of the Iraqi forces from the operations room at the headquarters of the General Staff, where he noticed that those forces were moving quickly in the direction of the city of Kuwait. This required that he and former Defense Minister Shaykh Nawwaf al-Ahmad al-Jabir al-Sabah go to another operations room at the headquarters of the Air Force Command. The heir apparent and prime minister said that a moment of intuition prompted him to immediately contact his highness the amir of the country from his car to inform him of the latest developments, and he advised the amir to leave Dasman Palace as a precaution.

His highness confirmed that his highness the amir agreed, after being strongly pressed, to leave Dasman Palace accompanied by his highness the heir apparent and prime minister and the late Shaykh Jabir al-'Ali, and that they left in one car toward the south. They arrived at the Kuwaiti al-Nuwaysib border point and from there to the Saudi al-Khafji border point. He said the difference between our departure from Dasman Palace and the start of the attack on it did not exceed half an hour.

Shaykh Sa'd al-'Abdallah al-Salim al-Sabah stressed that his communication with his highness the amir of the country in those fateful moments and the agreement to leave Dasman Palace were the best and most crucial decisions he has ever made in his life. He said divine grace saved legitimacy and the state of Kuwait from the evils of the criminal plot of the head of the Iraqi regime. The heir apparent and prime minister noted with the deepest feelings of appreciation and gratitude the noble and honorable stance of King Fahd Bin-'Abd al-'Aziz Al Sa'ud, the custodian of the two holy mosques, who urged as a generous brotherly gesture that his highness the amir should move from al-Khafji to Dammam. He at once made telephone contacts with the kings and presidents of the Arab, Islamic, and foreign states concerning the Iraqi aggression.

His highness the heir apparent and prime minister added that on the third day of the aggression, he paid a quick visit to Egypt, where he had a meeting with President Husni Mubarak, who voiced his stance in support of Kuwaiti rights. His highness stressed that the stance of President Husni Mubarak and that of Egypt—the government and people—were clear and crucial in rejecting the aggression against the state of Kuwait. The heir apparent and prime minister lauded the honorable stance of his majesty King Hassan II, the Moroccan monarch, and his denunciation of the Iraqi aggression against the state of Kuwait. He said that the Moroccan king was very annoyed when he heard about the aggression and that he summoned the Moroccan Council of Ministers to an emergency meeting in the

early morning of the day of the aggression to look into this grave event.

The heir apparent and prime minister in his statement about the anniversary of the dreadful day talked about the Arab summit held in Cairo on 10 August 1990 and said that he remembers with all appreciation the stance of King Fahd Bin-'Abd-al-'Aziz, the custodian of the two holy mosques, during the meetings and consultations that preceded the summit session, during which some maneuvering took place to make the summit fail. He stressed that King Fahd Bin-'Abd-al-'Aziz, the custodian of the two holy mosques, was clear in the rigidity and strength of his stance with everyone. King Fahd reiterated that the invading Iraqi forces must withdraw from the Kuwaiti territories, that Kuwait must be returned to its people, and that the legitimate Kuwaiti leadership must be restored.

He said that the PLO chairman—the ally of the head of the Iraqi regime in his aggression against Kuwait and its people—presented a proposal at the summit to improve the situation. However, President Hafiz al-Asad was clear in his stance supporting the state of Kuwait, stressing that the state of Kuwait and the Kingdom of Saudi Arabia have the right to seek the aid of fraternal and friendly states to liberate the state of Kuwait and defend the Kingdom of Saudi Arabia, and that his stance was great when he said to the Arab kings and presidents that if they want an Arab solution then Iraq must withdraw from Kuwait immediately.

His highness added that President Hafiz al-Asad addressed a clear and frank question when he said: Who among you is prepared to send his forces now to throw out the Iraqi forces from Kuwait? If you are not able to do this, why then the one-upmanship?

The heir apparent and prime minister pointed out the efforts made during the period that followed the aggression. He said that his highness the amir of the country asked him to undertake a tour of Syria, Turkey, Morocco, Mauritania, Algeria, Tunisia, and Libya. There he met with the heads of state of those countries and conveyed to them messages from the amir of country. He added that afterward his highness the amir and members of the government moved from Dammam to Taif, from where his highness the heir apparent began a European tour, including Britain, France, and Italy.

His highness Shaykh Sa'd al-'Abdallah al-Salim al-Sabah stressed that he was sure of victory. He said: I am certain that we are going to return to our country and to our people without fail. He added that he was certain that the state of Kuwait will triumph in the end. He said: Our faith and hope in God are great

and our confidence in our loyal people and the justice of our cause are infinite. We are certain that right must inevitably triumph and that wrong must inevitably retreat and disappear; and this was fulfilled with the grace of God.

More on Heir Apparent's Recollections

LD0208104695 Kuwait KUNA in Arabic
0650 GMT 2 Aug 95

[FBIS Translated Text] Kuwait City, 2 Aug (KUNA) — In a press interview published here today His Highness Shaykh Sa'd al-'Abdallah al-Salim al-Sabah, the heir apparent and prime minister, again hailed the stance adopted by the Kingdom of Saudi Arabia and its solidarity with Kuwait during the outrageous Iraqi invasion.

In the second part of his interview with Muhammad al-Saqr, the chief editor of the Kuwaiti daily AL-QABAS, Shaykh Sa'd stressed the decisive stance taken by the custodian of the two holy mosques [King Fahd], his total solidarity with Kuwait, and his insistence on the withdrawal of the Iraqi invading forces from the country and the return of Kuwait to its rightful owners.

He talked about the events that took place on 2 August, the invasion of Kuwait by Iraqi forces, and the reasons why the Kuwaiti forces were not ordered to fight back. He said: "Would it have been wise to throw them into a suicide battle whose outcome was inevitable even if they had managed to inflict heavy losses on enemy troops?"

In reply to a question on the visit by Sa'dun Hamadi as Iraqi envoy to Kuwait before the country was invaded by Iraq and the message he was carrying on his visit, Shaykh Sa'd said that "the Iraqi regime had demands that no Kuwaiti could accept out of concern for the sovereignty and dignity of his homeland and for the safeguarding of its territorial integrity."

Commenting on reports that Iraq had given several signs prior to its invasion, Shaykh Sa'd said: "What was conveyed by many Arab heads of state and officials who had visited Baghdad and met the leader of the Iraqi regime indicated that the latter was not intending to undertake any military action against Kuwait."

The heir apparent and prime minister also talked about what had happened at the Jeddah meeting and said that "the Iraqi delegation sent to the Jeddah meeting had not been mandated to hold serious talks, instead its objective was disinformation and misrepresentation."

He added: "We agreed with the Iraqi side in Jeddah to continue the talks in a second meeting to be held in Baghdad and then in a third meeting in Kuwait. We

did not, therefore, imagine that there would be an Iraqi aggression after that [words indistinct]."

The heir apparent had ended his talks with the Iraqi delegation headed by 'Izzat Ibrahim, the then vice president of the ruling regime in Baghdad in Jeddah during the night of 2 August 1990.

Shaykh Sa'd refused to describe the Iraqi invasion of Kuwait as a crisis and said that "what happened was a full-scale invasion and a huge war launched by hundreds of thousands of troops and there was no negligence on the part of the government." [sentence as received]

In reply to a question about the reasons behind the support expressed by some Arab states for Iraq in its invasion of Kuwait, he said: "I cannot find any explanation for the stances taken by these states except to quote the famous Arabic adage: Be wary of the harm that can come from those you were nice to."

He added: "Several states allied themselves with the ruling regime in Baghdad and supported it in its aggression on Kuwait and its people and others turned a blind eye to its abominable crime."

Official Denies Reported Welcome to Iraqi Envoy

*LD3007102295 Kuwait KUNA in Arabic
0706 GMT 30 Jul 95*

[FBIS Translated Text] Kuwait — Shaykh Sabah al-Ahmad al-Sabah, first deputy prime minister and foreign minister, has reaffirmed in press statements published here today that Kuwait will not allow and will not welcome visits by any Iraqi official or envoy until after all issues pending between the two countries have been concluded, all UN Security Council resolutions have been fully implemented, and commitments to international charters have been given.

In statements published by AL-ANBA' and AL-WATAN, Shaykh Sabah denied that Kuwait has received an official request concerning a visit by an Iraqi envoy or has accepted the mediation of any Arab or foreign state. These statements came as reply to recent statements made by Iraqi Foreign Minister Muhammad Sa'id al-Sahhaf in which he announced that Saddam Husayn wishes to send envoys to all Arab states, including Kuwait and Saudi Arabia.

Minister al-Sabah pointed out that the solution to the problem does not lie in a meeting between the Iraqi and Kuwaiti sides but in the willingness of the Iraqi regime to show good intentions and prove the statements it has been reiterating regarding its commitment to the UN resolutions in an aim to gain international sympathy. He pointed out that Iraq's policy of playing with expressions is simply an attempt to evade the

compelling Security Council resolutions, particularly those concerning the release of Kuwaiti and other prisoners, the return of property plundered during the occupation, and compensation for the losses caused by the aggression.

Assembly Approves Abolition of State Security Court

*LD0108162795 Kuwait KUNA in Arabic
1415 GMT 1 Aug 95*

[FBIS Translated Excerpt] Kuwait City, 1 Aug (KUNA) — The National Assembly today approved a draft law submitted by the government providing for the abolition of the State Security Court and the referral of its cases to ordinary courts.

The assembly members present unanimously voted in favor of the decision while some of them commended the government initiative and described it as "a significant move toward the entrenchment of human rights principles."

Mishari al-'Anjari, minister of justice and administrative affairs, said that the government submitted the draft law after careful consideration and in accordance with advice given by the amir. [passage omitted]

The court was set up in 1969 to look into crimes affecting the security of the state. [passage omitted]

Al-'Anjari said that due to a change in the conditions that led to the creation of the state security court, and in view of the similarity of the procedures adopted by this court and those adopted by ordinary courts, the justifications that made the creation of this court necessary have been removed. [passage omitted]

Marine Cable Contract, Accord With Iran Signed

*LD2807174895 Kuwait KUNA in Arabic
1540 GMT 28 Jul 95*

[FBIS Translated Excerpt] Kuwait, 28 Jul — The Kuwaiti Ministry of Communications has signed four contracts for the establishment, implementation, and organization of work on the marine international communications cable "FOG," which will connect Kuwait with a number of GCC [Gulf Cooperation Council] states.

Ministry Undersecretary Salman al-Rumi said in an exclusive statement with KUNA that the agreements, which were signed in Bahrain today, include a contract to set up and implement the Gulf marine cable project, which was signed between the Gulf states that own the cable and the Japanese company that will carry out the project in cooperation with an Italian company.

Undersecretary Rumi explained that the second agreement, which was also concluded today between the four Gulf states of Kuwait, Bahrain, the UAE, and Qatar, is concerned with the organization of the work and defining the rights and responsibilities of all the parties regarding operation, maintenance, investment, and local charges for the states participating in the project.

He said that the Gulf marine cable project, which is regarded as one of the most important projects in the ministry's history, will have a total cost of about \$80 million and will extend over 1,300 kilometers along a path in the middle of the Arabian Gulf from Kuwait to the UAE, passing by Bahrain and Qatar. [passage omitted]

Undersecretary Rumi indicated that the Kuwaiti Communications Ministry signed a special agreement in Iran last night with the Islamic Republic of Iran on behalf of all the states that own the Gulf cable. This agreement provides for the cable to pass over a bridge on the sea bed over the Iranian pipeline, which crosses the path of the cable between Bahrain and Kuwait. [passage omitted]

On the other hand, the undersecretary of the Kuwaiti Communications Ministry said that a memorandum of understanding was signed yesterday with the Iranian Post, Telegraph, and Telephone Ministry on setting up a microwave radio link between the Iranian city of Abadan and the Kuwaiti Communications Ministry network in the northern Abdali region. He explained that this link will provide new fields for communications between Kuwait and Iran and beyond the latter to the newly independent Islamic states of the former Soviet Union, with the possibility of making Kuwait a regional transit point through which telecommunications projects linking Kuwait and Gulf coastal states can be completed.

Committee Prepares New Hydrographic Charts

95p50155A Kuwait AL-WATAN in Arabic
19 July 95 p 4

[FBIS Translated Text] The Hydrographic Survey Committee convened for the second time yesterday at the Ministry of Transportation. Nasir al-Jaryawi, deputy assistant secretary for transportation, chaired the meeting and representatives from the Ministries of Foreign Affairs, Defense, Interior and Oil, the Ports Authority, and Municipality of Kuwait attended.

They discussed the new hydrographic survey for Kuwaiti territorial waters. The survey includes drawing new charts required by the redrawing of the Kuwaiti-Iraqi borders by the United Nations and replacing the hydrographic charts that were finished just before the Iraqi invasion and then destroyed by Iraqi forces.

They also discussed the obstacles the committee faces in trying to accomplish its mission and methods to overcome them while preparing to sign a contract with a consulting firm to initiate a public invitation for tenders to implement the project. The project is very important because new charts will be produced for use in territorial waters to pinpoint marine features and ensure marine navigation safety using buoys, marine piers, and navigational warnings.

Representatives suggested that another committee be formed to coordinate the compiling of project specifications and to follow up on suggestions by the parties concerned in the execution of the project.

Qatar

Doha To Open Office in Palestinian Areas

JN2907113995 Manama WAKH in Arabic
1115 GMT 29 Jul 95

[FBIS Translated Text] Doha, 29 Jul (WAKH)—The State of Qatar has decided to open a representation office with the Palestinian National Authority in the Gaza Strip and Jericho.

An official source from the Qatari Foreign Ministry said that this decision is based on the historical and fraternal relations between the Qatari and Palestinian people and the desire to embody these relations and realize the best means for developing them, and in support of the steadfastness of the Palestinian people and their National Authority.

Official Comments

NC2907132995 Paris AFP in English
1156 GMT 29 Jul 95

[FBIS Transcribed Text] Doha, July 29 (AFP)—Qatar has decided to open a representative office in the Palestinian self-rule areas, becoming the first Gulf Arab state to do so, the foreign ministry announced Saturday [29 July].

A ministry spokesman, quoted by QNA news agency, did not specify when the move would take place nor whether the office would open in the autonomous Gaza Strip or the self-rule enclave of Jericho on the West Bank.

The decision was taken "because of the historic and brotherly links between the Qatari and Palestinian peoples and out of concern to help with their development and support the Palestinians," he said.

Other Arab countries which have offices in the self-rule areas, such as Morocco, have opened similar offices in Israel.

But Qatar does not have any official diplomatic ties with the Jewish state, although the emirate received an Israeli delegation in June 1994 for a round of Middle East multilateral talks.

Foreign Minister Hamad Bin-Jabr Al Thani said at the time that Qatar would be prepared to sell natural gas to Israel if there was progress in the region's peace process.

He has met his Israeli counterpart Shimon Peres at least twice, in New York in October 1993 and London in January 1994.

Ties between the Palestinians and the oil-rich Gulf Arab monarchies soured after Iraq's August 1990 invasion of Kuwait when the PLO was seen as siding with Baghdad.

But relations between the PLO and Qatar have improved since 1992.

Saudi Arabia

Ministers Discuss Bosnian, Afghan Situation

LD3107190995 Riyadh SPA in Arabic
1655 GMT 31 Jul 95

[FBIS Translated Excerpt] Jeddah, 31 Jul (SPA) — Prince 'Abdallah Bin-'Abd-al-'Aziz Al Sa'ud, crown prince, deputy prime minister, and national guard commander, this afternoon chaired a meeting of the Council of Ministers at al-Salam Palace in Jeddah. Following the meeting, Dr. Khalid Bin-Muhammad al-'Anqari, higher education minister and acting information minister, told SPA that the Council, on directives from the crown prince, heard a comprehensive review of the most prominent development at the various Arab, Islamic, and international levels, and viewed in particular the development of events in the Republic of Bosnia-Herzegovina, the Republic of Chechnya, the Republic of Afghanistan, and the peace negotiations in the Middle East.

The acting information minister added: At the Islamic level the crown prince talked with profound pain and anxiety about the increased suffering of the Muslim people of the Republic of Bosnia-Herzegovina and the acts of mass murder, destitution, and inhumane crimes this people is facing, as well as the developments in that Republic. The crown prince, may God preserve him, said that the issue has reached an extremely dangerous stage following the aggressive Serbs' continuation of the unjust hostile acts, against the background of a languid international stance and the UN's failure to discharge its mission in the Republic.

His royal highness the crown prince stressed the importance of the Islamic nations' duty to champion the cause of the brothers in Bosnia-Herzegovina. He urged

the "governments and peoples" to stand alongside their brothers by offering all kinds of material and moral assistance to reduce their pain and suffering and to enable the country to safeguard its independence, sovereignty, security, and unity of its territory. In this connection he noted the help given in the past and now by some Islamic states, headed by the Kingdom of Saudi Arabia, to a Muslim people. [passage omitted]

Referring to the situation in the Republic of Chechnya, his royal highness expressed extreme concern over the tragic situation there. He urged the Russian Government not to use force to bring about a settlement and urged it to continue the bilateral talks to reach a peaceful solution.

His Excellency Dr. Khalid al-'Anqari said that his royal highness the crown prince reviewed the conditions in the Islamic Republic of Afghanistan and expressed the hope that the national interest and the interest of the Muslim people of Afghanistan will triumph over all the quarrelling factions and any other consideration so that the Muslim people of Afghanistan may live in security and safety, and for the good of the country after its patient and long struggle. [passage omitted]

Minister of Religious Endowments interviewed

95LH0219A Kuwait AL-QABAS in Arabic 12 Jun 95
p 4

[Interview with Saudi Minister of Islamic Affairs, Endowment, Call and Guidance Dr. 'Abdallah Ibn-'Abd-al-Muhsin al-Turki by the Kuwaiti News Agency in Kuwait; date not given]

[FBIS Translated Text] The Saudi Minister of Islamic Affairs, Endowment, Call and Guidance, Dr. 'Abdallah Ibn-'Abd-al-Muhsin al-Turki, described the Gulf Cooperation Council [GCC] member states, "led by the Kingdom of Saudi Arabia, the cradle of inspiration and the home of the two venerable holy places," as "the furthest removed, of all the countries in the world, from extremism and terrorism."

Al-Turki said that Islam, being a religion of moderation and tolerance, is the farthest from extremism and terrorism. He added that Islam has no connection to the unfortunate incidents that Muslims are alleged to have carried out in different regions of the world.

Minister al-Turki made these remarks in an interview that he granted to the Kuwaiti News Agency during an official visit to Kuwait, which ended last Thursday.

Al-Turki condemned the continuing attacks against Islam and Muslims and the portrayal of Muslims as extremists and terrorists without acknowledging that

extremists and terrorists also can be found in other religions. He said that extremism has always existed among Jews and Christians. He said that, if extremism has emerged in Muslim countries, it has not been the norm, because Islam is a religion of justice, equality, truth, mercy, and tolerance; such extremism therefore should be attributed to a lack of adherence to, and a withdrawal from, Islam.

Al-Turki added that those who criticize Islam and Muslims should be well aware of who has been carrying out these criminal acts; if they are Muslims, they are so only in name, or they are serving their own personal or factional purposes.

Regarding methods for eliminating terrorism, al-Turki said that the correct way to shield the region from the dangers of these incidents is to strengthen legitimate, scholarly, correct guidance, which presents Islam in a correct and balanced manner; and to strengthen Islamic organizations, which are making efforts in the area of guidance under the auspices of ministries of endowments and Islamic affairs.

Al-Turki added that the phenomenon of extremism and terrorism must be studied carefully to ascertain its causes and surrounding circumstances so that appropriate solutions can then be formulated to eliminate it. He said that in making such efforts, people will automatically move away from extremism or immoderation in religion.

Al-Turki called on the Islamic nation to adhere to Islam, apply its precepts, guide the nation toward Islam, and explain the errors of some Muslims. He cited similar phases in Islamic history, when legal knowledge became weak and governments distanced themselves from established legal principles.

Regarding his visit to Kuwait, al-Turki said, "It is intended to develop frameworks for cooperation and coordination between the two countries in the area of Islamic affairs and endowments and to familiarize me with the projects, plans, activities, and programs of Kuwait's Ministry of Endowments and Islamic Affairs, which serve Islam and Muslims."

Al-Turki said that Kuwait and Saudi Arabia play a distinguished, exemplary role in Islamic action, inasmuch as the ministries of endowments and Islamic affairs in the two countries both cooperate with international Islamic organizations, centers, and bodies, and both support Muslim minorities living outside the Islamic world.

Responding to a question regarding the lack of a clear, unified Islamic vision with respect to new developments in the Islamic arena, al-Turki said, "The confusion that arises when dealing with these new developments—

as happened, for example, during the tyrannical Iraqi invasion of Kuwait—can be attributed to some groups' exploitation of the concept of Islam to serve narrow political, factional, and personal interests. It also can be attributed to a misunderstanding of the precepts of Islam, weakness in people's connection with their religion and in their knowledge of its precepts, and the fact that many Islamic programs are marred by defects and deficiencies."

Al-Turki emphasized that Muslim intellectuals and ulema have the responsibility of clarifying these precepts to the Islamic nation, and of urging those concerned with Islam and missionary work to distinguish between Islam's established path and personal and factional interests. He also said that they must distance Islam from any cause for suspicion or spuriousness.

The Saudi minister said that ministries of endowment and Islamic affairs serve as an umbrella under which the ulema and intellectuals in the Islamic countries meet. These ministries are responsible for preparing circumstances and plans suited to the ulema's fulfillment of their duty toward their Islamic societies.

Al-Turki said, "Information plays an important role in the dissemination of correct Islamic awareness. Ministries of endowment must have carefully thought out information plans. They also must hold brainstorming meetings in which problems confronting the Islamic nation are raised."

Regarding official and popular Islamic charitable work, al-Turki warned against duplication by the two sides, because both [the Kuwaiti and Saudi endowment and Islamic affairs ministries] are involved in the same areas and are making redundant efforts that should be channelled into other areas. He also warned against popular charitable organizations and bodies undertaking activities without consulting official agencies.

Al-Turki said, "An endowment serves not only to establish and run mosques, although this is a major mission, but also to support education, general humanitarian works, charitable and cultural activities, and social and health issues." He said that Islamic civilization is founded on a large base of endowments. He emphasized the need to develop endowment organizations to keep pace with the current needs of Islamic societies. He said that, while an endowment aims to realize an established, unchanging religious precept, implementation methods are a matter of independent judgment and should be designed to keep pace with change in societies without violating the creed and Islamic law.

Al-Turki said that endowments in Saudi Arabia are managed in accordance with a religious outlook and are

closely linked to the legitimate ruler in each area. There is also a High Council in Saudi Arabia, which oversees endowments in all parts of the Kingdom. It includes officials and members who are experts and scholars in Islamic thought.

Regarding the Gulf media's role in serving Islamic causes, al-Turki called on the media in the Gulf to develop a unified information plan to confront the biased attacks being levelled at the GCC countries' attitudes and values, which are chiefly Islamic values. He expressed sorrow over the various media sectors' lack of concern in this regard and failure to serve Islamic causes on some occasions. He said that the media must be reviewed and purged of defects and the influences of political or ideological trends from outside the region.

Regarding aid for Muslims in areas in the news, al-Turki said that a problem such as Bosnia-Herzegovina, for example, requires more action than what we are seeing because it is a complicated international problem involving intervention by forces from inside and outside the region representing numerous ethnic, religious, and cultural conflicts.

Al-Turki added that Muslim governments and peoples must develop a method for dealing with these events now and in the future. This method must not always be limited to expressions of disapproval and condemnation.

Dr. al-Turki has held numerous official positions. He served as the dean of the College of the Arabic Language at Imam Muhammad Ibn-Sa'ud University, then as the deputy director and director of that university. He was appointed minister of Islamic affairs, endowment, call and guidance in the Kingdom of Saudi Arabia in 1994.

He has written numerous books, including *Usul Madhab al-Imam Ahmad Bin Hanbal* (Principles of Imam Ahmad Ibn-Hanbal's School of Legal Thought), *Asbab Ikhtilaf al-Fuqaha* (Reasons for Differences Among Islamic Jurists), *al-Usrah fi Du' al-Islam* (The Family in Light of Islam), and *Manhaj al-Malik 'Abd-al-'Aziz* (King 'Abd-al-'Aziz's Program of Action).

United Arab Emirates

Russian Policy on Bosnian-Serb Conflict Criticized

JN0108124495 Abu Dhabi United Arab Emirates Radio Network in Arabic 0930 GMT 1 Aug 95

[FBIS Translated Text] The United Arab Emirates [UAE] has strongly denounced the Russian Federation's policy, which is completely biased in favor of the Serb aggressors and their daily crimes against the people of Bosnia—Herzegovina, in a bid to annihilate them and occupy a UN member state.

His Highness Shaykh Hamdan Bin-Zayid Al Nuhayyan, minister of state for foreign affairs, has summoned His Excellency Oleg Derkovskiy, ambassador of the Russian Federation in the country, and expressed surprise at the contradictory Russian stance toward the crimes in Bosnia. His highness wondered how Russia, which is a superpower shouldering great responsibility for preserving international peace and security, can ignore the savage Serb practices against children, women, and the elderly in Bosnia at a time when it condemns Croatia's support for Bosnia-Herzegovina to repulse Serb attacks on safe areas and recapture some of the lands occupied by Serbs. In doing this, Russia seems to be blessing the criminal Serb practices.

His highness Shaykh Hamdan Bin-Zayid Al Nuhayyan informed the Russian ambassador that the UAE is extremely dissatisfied with this unfair Russian attitude. He warned that Russia will lose many of its friends and interests in the Arab and Islamic world as a result of this position.

His highness added that since it is a superpower, Russia must rectify the situation and try to pursue a firm, evenhanded policy in its capacity as a major power. His highness expressed the UAE's denunciation of Russia's opposition to NATO air strikes against the Serb aggressors despite authorization by the UN secretary general to act in fulfillment of the international community's will. His highness said this is a clear indication of the biased Russian stance, as if Russia is defying the will of the international community.

Yemen

Arms Cache Discovered in Mountain Near Aden

MM0108110295 London AL-HAYAH in Arabic 29 Jul 95 pp 1, 6

[Report by Iqbal 'Ali 'Abdallah: "Arms Discovered Inside Mountain Near Aden"]

[FBIS Translated Text] Sanaa — The security forces in Aden, Yemen's economic and trade capital, recently discovered "large quantities of various arms, explosives, and ammunition that had been stored by forces that were loyal to the [Yemeni] Socialist Party [YSP] inside one of the mountains around the city before they fled when the government forces entered Aden."

A responsible military source told AL-HAYAH yesterday that the "discovery of the arms came as a result of the return of military personnel to the country, taking advantage of the general amnesty decision made by President 'Ali 'Abdallah Salih at the beginning of May last year."

He added that "these military personnel gave some serious information about the nature of the activities and practices of the absconding secessionist elements abroad, whose aim is to undermine security and stability in the country by recruiting some weak and needy people who visit the states where the secessionist elements are residing."

The military source said that "the security authorities have evidence pertaining to the nature of these activities falling into the category of terrorism and sabotage against the country's sovereignty, security, and stability."

The security authorities at Aden airport had "seized from a number of Yemenis coming from an Arab

state anti-regime leaflets calling for economic sabotage. These leaflets were issued by absconding secessionist elements. Some foreign currency destined for some elements in the country as payment for subversive acts was also seized."

The security authorities warned "citizens who travel to such states against getting involved with secessionist elements in such acts of treason."

Meanwhile, military sources have confirmed that "the process of removing camps and arms from Aden is continuing in an orderly manner." They added that "60 percent of the operation has been completed," and expected "completion of the operation next October."

Saddam Orders Salary Increase for State Employees*JN0108204295 Baghdad AL-JUMHURIYAH
in Arabic 25 Jul 95 p 1*

[FBIS Translated Text] Baghdad, (INA)—President Leader Saddam Husayn, may God preserve him, has ordered an increase of the salaries and allowances of state employees, both civilians and military personnel, as well as members of the Internal Security Forces. The order came during a meeting of the Council of Ministers under his excellency's chairmanship on 19 July 1995.

By his sensitive feelings and his awareness that his steadfast people are suffering from the unjust blockade imposed on our country, his excellency, may God support him, proposed an increase in the salaries and allowances of the state employees because his excellency is very eager to take care of this stratum of the society to enable it to overcome the difficulties and effects of the blockade and until God brings about an end to it and the crossing to the shore of safety takes place, God willing.

The following is the text of the decision:

Taking cognizance of the provisions of the Revolution Command Council decrees 437 of 1991 and 292 of 1992, the president of the republic decrees the following:

- 1.) The salaries and allowances of all civilian state employees will be increased by 50 percent of their monthly salaries and allowances, including their post allowances.
- 2.) Salaries and allowances of military personnel, internal security forces, members of the Special Security Apparatus, the Intelligence Department, and the Security Department will be increased by 70 percent of their monthly salaries and allowances as well as their post allowances.
- 3.) The increments mentioned in (First) and (Second) above include the sums ordered by his excellency the president leader, may God protect him, as enunciated in the presidential office memo 13873 issued on 12 June 1994.
- 4.) Those employees mentioned in (First) and (Second) above will receive—in addition to their salaries and excluding the allowances and sums mentioned in (Third)—increments as follows:
 1. The heroes of al-Qadisiyah [war with Iran] and Mother of Battles, the bearers of one medal or more, ten medals of valor, or the high order of merit will receive 80 percent of their monthly salaries.

2. Holders of 6 through 9 medals of valor will receive 60 percent of their monthly salaries.

3. Holders of 2 through 5 medals of valor will receive 50 percent of their monthly salaries.

4. Holders of one medal of valor, a party insignia, or two Mother of Battles insignia will receive a 40 percent increase in their monthly salaries.

The above increments will be effective as of 1 August 1995.

Merchants 'Sucking Up' Wage Increases*JN0108154795 Baghdad AL-JUMHURIYAH
in Arabic 29 Jul 95 pp 1, 2*

["Viewpoint" column by Chief Editor Salah al-Mukhtar: "The New Generous Offer and the Greed of the Embargo Merchants"]

[FBIS Translated Text] Not a single world state, not even among the wealthiest which care about the welfare of their citizens, has achieved so many gains for its people and carried out so many economic and legal measures to help them overcome their economic hardships as Iraq has done for its own people.

The recent generous offer by leader President Saddam Husayn affords the low-income people a wage increase of up to 50 percent of their total income. The aim of this increase is to alleviate the pressure of the embargo on the toiling class by helping it maintain its purchasing power, albeit at the minimum level. However, before this class could even begin enjoying the fruits of this offer, the embargo merchants quickly raised the prices of practically all items to unusual heights with the obvious ulterior political motive of sucking up the generous offer and making the citizen believe that his situation has not changed, since the high prices have sucked up the increase before it reached his pocket.

This action does not only show the extreme, criminal greed of the embargo merchants, but also poses a serious question which must be tackled with great concern; namely, do these merchants ignore the fact that by their greed they are actually serving the enemies of the Iraqi people, who have enforced the embargo in order to destroy and dismember Iraq after they have exhausted it economically?

We should also follow that with another question: Should we allow the continuation of such sabotage by these misguided, plotting individuals who insist on going astray and dragging others behind them, although the aims of their acts are very obvious and need no further proof?

It behooves the competent government agencies to act according to a well-studied plan in order to foil the enemy's traditional plan of circumventing every major government step to protect the people and to reduce the effects of the embargo on them as result of this traditional game of quickly raising prices by a percentage higher than that of the increase of the generous offer as soon as it is announced. It is time we fully exposed the embargo merchants and separated them from the honest ones and also put an end to their evils, which are seriously hurting the low-income people, who constitute the overwhelming majority assuming the task of defending great Iraq.

Political Convicts Urged To Benefit From Amnesty

JN0108165395 Baghdad INA in Arabic
1415 GMT 1 Aug 95

[FBIS Translated Text] Baghdad, 1 Aug (INA)—'Abd-al-Ghani 'Abd-al-Ghafur, secretary general of the National Progressive and Patriotic Front (NPPF), has urged those covered by the amnesty issued by the Revolution Command Council to benefit from it. The amnesty covers those convicted for political reasons whether they are inside or outside Iraq.

In a statement to INA, 'Abd-al-Ghafur said that the decree should arouse the patriotic sentiments of some citizens who shirked their national commitments and who have been convicted for political reasons and want to return to and be part of their people to contribute to the national march.

He added that the amnesty reflects President Saddam Husayn's eagerness to involve every Iraqi in the march of the crossing and progress. At the same time, he said, the amnesty is a step which panics colonialists and agents who do not want Iraqis to continue the march of progress and dignity.

Concluding his statement, the NPPF secretary general said: Leader Saddam Husayn's chivalry is known to everybody. The confidence of those covered by the amnesty in this chivalry will shatter the fabrications of the hostile media agencies. He said: Iraqis, even those who went astray, are aware of the reality of this measure and of the full chance it provides for those who will help themselves by responding to the amnesty decision.

Foreign Minister on Germ Program, Turkish Operations

JN0108153595 London AL-WASAT in Arabic
31 Jul-6 Aug 95 p 4

[Interview with Foreign Minister Muhammad Sa'id al-Sahhaf by Ashraf al-Fiqi in Cairo; date not given]

[FBIS Translated Text] [al-Fiqi] Regarding the germ file and Iraq's research in this field, was this research conducted in cooperation with Arab or foreign states?

[Al-Sahhaf] We did not cooperate with any Arab or non-Arab state. The Iraqi germ research projects were self-reliant and were conducted inside Iraqi laboratories. Cooperation with Arab states, including Egypt, was limited to conventional weapons during the Iraq-Iran war. Iraq has the right to import the weapons it needs. There is no Iraqi-Arab cooperation in the field of the weapons that are prohibited by UN Security Council Resolution 687.

[Al-Fiqi] How do you view the Turkish military operations against the Kurds in northern Iraq?

[Al-Sahhaf] The Kurdish problem inside Turkey has exacerbated as a result of the abnormal situation in the region. Whenever Turkey fails to find a solution to this problem, it carries out a military operation in northern Iraq with the help of the coalition forces. These, however, are tactical operations that will not resolve the real problem inside Turkey, where there are 16 million Kurds who have problems with the Turkish Government that lead them to revolt against it.

[Al-Fiqi] The Iraqi-Iranian-Sudanese relationship raises more than one question. Some people label this relationship as a "new triangle of terrorism?"

[Al-Sahhaf] Sudan is a sisterly Arab state that has good relations with Iraq, as is the case with Iraq's relations with Qatar, Algeria, Morocco, and Libya. We hope to establish good relations with Egypt and Jordan. However, the so-called Iraqi-Sudanese-Iranian axis is baseless. Iraq and Iran have seen an eight-year war to defend Iraq and all the Arab states. Iran, however, remains a neighbor of Iraq and we have to discuss the means to establish good relations with it. Any positive response by Iran will be welcomed by Iraq. Normalization with it, however, will not be at the expense of our Arab character.

[Al-Fiqi] How do you view the United States' "double containment" policy?

[Al-Sahhaf] The so-called double containment is an unrealistic policy. Iraq cannot be contained because it is not isolated from a geographic viewpoint. What the

U.S. officials are saying now is a continuation of the tactic followed by Washington during the Cold War, and we consider it a continuation of the embargo imposed on Iraq. However, we ask the Americans what they will say about this containment after Iraq fulfills its commitments to the UN Security Council.

[Al-Fiqi] To what extent did Iraq cooperate in the issue of the missing Kuwaitis?

[Al-Sahhaf] After studying the files, 625 in total, we discovered that certain names were reported more than once, and the files were reduced to 605. Information was collected on one third of these files and work is continuing as we seek to close this subject very quickly. Such work requires certain methods and needs time to verify information. There are files that are still open from World War II and the United States is still looking for its missing soldiers in Vietnam.

[Al-Fiqi] Iraq has struck many long-term contracts with western states. Does this fall within the context of the attempt to end the embargo by mortgaging Iraqi oil?

[Al-Sahhaf] No. Iraq does not mortgage its oil. The contracts that were signed with several states were part of the effort to win back old customers. The agreements cover industry, investment, and all aspects of the oil industry.

Rebel Radio Claims Islamists Kill 20 Party Members

JN0108161795 (Clandestine) Voice of Rebellious Iraq in Arabic 1415 GMT 1 Aug 95

[FBIS Translated Text] Our sources in the south said recently that a group of Islamic resistance heroes attacked a meeting of the ruling party in (al-'Utaykah) in al-Nasiriyah Governorate last July to elect elements from these criminals to attend the tyrant's party regional congress. The attack was so accurate and violent that it resulted in the killing of at least 20 of the 'Aflaqites who were meeting there. Material damage was also inflicted on their meeting place.

For its part, the tyrant's regime reacted to the operation by arresting dozens of youths from the abovementioned subdistrict. The tyrant's forces and repressive elements were placed on a state of maximum alert in those areas and roadblocks were laced at the entrances of (al-'Utayqah) subdistrict. Our sources said that the Islamic resistance lost one hero in this operation and was able to evacuate his body to one of its positions in the south.

God bless you, heroes of abu-'Abdallah. We wish you further victories with God help.

SAIRI Leader Meets Opposition Figures in Damascus

NC3107205395 (Clandestine) Voice of Iraqi Islamic Revolution in Arabic 1430 GMT 31 Jul 95

[FBIS Translated Text] Ayatollah Sayyid Muhammad Baqir al-Hakim, leader of the Supreme Assembly of the Islamic Revolution in Iraq [SAIRI], has received at the SAIRI office in Damascus the delegation of the national and [word indistinct] parties headed by Dr. Ahmad al-Musawi, member of the leadership of the Iraq branch of the opposition. Among the members of the delegation were Salah al-Rubay'i, representing the democratic pan-Arab coordination committee; Mr. Muhammad al-Khayali representing the Arab Socialist Movement; Mr. Abu-Ayyub, member of the Iraqi Democratic Unionists; Mr. Abu-Watib, representing the Iraqi Communist Party; Mr. Hadi Rajab Hafiz, representing the Iraqi Democratic Grouping; Mr. [name indistinct] al-Sa'di representing the Socialist Party; and Mr. [name indistinct] Muhammad representing the Iraqi National Reconciliation.

His eminence spoke during the meeting and discussed some of the proceedings during his meeting with Syrian Vice President 'Abd-al-Halim Khaddam. His eminence warned against the sensitive situation inside Iraq and that there are numerous [words indistinct], some of which are:

First, there are sharp differences inside the ruling regime.

Second, the regime has failed to break out of its international isolation.

Third, the regime bet wrong when it favored the Russian and French stances.

Fourth, the regime has been unable to annihilate the jihad operations in southern and central Iraq, particularly in the marshlands.

Fifth, the American project [not further explained] has failed to contain the Iraqi opposition because it is unreal and mistaken.

On the other hand, his eminence believes that the Kurdish issue can only be resolved by the Iraqi [opposition] project and not a Kurdish one. His eminence affirmed that the unity of the opposition and of field action constitute a major focus for our movement, in addition to the fact that it is an alternative solution to even the Kurdish problem.

On recent developments in the military institution, his eminence asked: Now that the army has split away from the regime in its political loyalty, how can we

exploit this split in the interest of our people? His eminence continued: We need a plan of action. None of us should believe that they can win the army to their side alone. The members of the delegation expressed their satisfaction with Sayyid al-Hakim's words and agreed on the importance of establishing the national Iraqi opposition project. They said: Our responsibility is to build the Iraqi opposition project, and Your Eminence is qualified to play a big role in this project.

France Said To Invite al-Hakim To Visit

JN0108164295 (Clandestine) Voice of Rebellious Iraq in Arabic 1415 GMT 1 Aug 95

[FBIS Translated Text] Following the invitation extended to Ayatollah Muhammad Baqir al-Hakim by the French charge d'affaires [in Damascus] and the French Government to visit France at any time he chooses, political sources in Damascus said that this invitation constitutes a retreat in the position of certain Western circles, especially France, on the Iraqi question, and that they have abandoned their support for the regime.

Popular Forces Chief Criticizes Embargo on Libya

JN2907170295 Baghdad INA in English 1340 GMT 29 Jul 95

[FBIS Transcribed Text] Baghdad, July 29, INA — Secretary General of the Arab Popular Forces Conference Sa'd Qasim Hammudi has criticized the UN resolution on maintaining, for the tenth time, the embargo imposed on Libya.

In a statement to INA, Mr. Hammudi voiced support for nominating Libya for Security Council membership. He denounced the U.S. and Western opposition to Libya's demand which was supported by both Arab and African groups.

He said Washington and its allies arrogantly reject all the positive proposals put forward by Tripoli about the investigation with the two Libyans charged with involvement in the Lockerbie bombing. The U.S. rejection obviously shows the political motives of America behind its hostile attitude towards the brotherly Libyan people, Mr. Hammudi said.

The conference secretary general called on the Arab parties and governments to intensify their demands to lift the unjust embargo imposed on Iraq and Libya.

He renewed solidarity of the Arab Popular Forces Conference with Iraq and Libya in facing up to all U.S. and Western pressures.

Saddam Receives Qatari Minister of Finance

JN2807174995 Baghdad Iraq Television Network in Arabic 1700 GMT 28 Jul 95

[FBIS Translated Text] President Saddam Husayn today received Shaykh Muhammad Bin-Khalifah Al Thani, Qatari minister of finance, economy, and trade, and Qatari Amir Shaykh Hamad Bin-Khalifah Al Thani's envoy to his excellency.

Shaykh Muhammad Bin-Khalifah Al Thani conveyed a message to his excellency from Qatari Amir His Highness Shaykh Hamad Bin-Khalifah Al Thani, dealing with means of promoting the fraternal firm relations between the two countries in all fields.

Foreign Minister Muhammad Sa'id al-Sahhaf attended the meeting.

Work on Road Tunnel Under Tigris To Start 'Soon'

JN2907082895 Baghdad INA in Arabic 0610 GMT 29 Jul 95

[FBIS Translated Excerpt] Baghdad, 29 Jul (INA)—Work will start soon on a project to build a road tunnel — a six-lane expressway — under the Tigris in an area to the south of Baghdad between al-Rashid Camp and al-Za'faraniyah.

This was announced by Staff General Husayn Kamil Hasan, minister of industry and minerals and director of the Military Industrialization Organization, in a press statement published here today. He said the foundation stone for the project will be laid in the next few days and that a special commission has been established to supervise the building of the tunnel. [passage omitted]

Paper Celebrates Repair of Destroyed Military Equipment

JN0108123595 Baghdad INA in English 1000 GMT 1 Aug 95

[FBIS Transcribed Text] Baghdad, Aug 1, INA— AL-JUMHURIYAH daily of Baghdad stressed that the campaign launched to repair weapons and military equipment destroyed by the aggressors during the U.S.-led war against Iraq has shown Iraq's high political and technological capability.

In an editorial entitled "Once Again and Again Say.. Future is Ours", the paper said the weapons which were destroyed by the aggressors along old history of struggle have been put back to action while enemies of Iraq thought that all these weapons have become stocks and should be neglected.

Politically Iraq stressed that it is launching campaigns for reconstruction and reformation to retaliate against

any aggression that might take place in this very juncture. Yet, the technological implications are beyond all imaginations.

The Iraqi brain has broken the siege which deprived the Arabs and the Third World states from achieving progress in manufacturing and developing complicated weapons industry.

It concluded by saying that Iraq's army is still capable of protecting Iraq and its sovereignty and independence. It possesses a huge materialistic capability and high morales in defending itself whatever the circumstances, it added.

'Crisis' Reported in Talks With Palestinians

TA0108180695 Jerusalem Israel Television Channel 1
Network in Hebrew 1700 GMT 1 Aug 95

[Announcer-read report]

[FBIS Translated Text] A crisis has erupted in the talks between Israel and the Palestinians. The heads of the Israeli delegation informed the prime minister, and he called off a cabinet debate which had been scheduled for tomorrow to approve the transfer of governmental powers to the Palestinians.

Poll: Majority Favor Stopping Palestinian Talks

TA2807143795 Tel Aviv YEDI'OT AHARONOT
in Hebrew 28 Jul 95 p 4

[Public opinion poll conducted by the Dahaf Institute directed by Dr. Mina Tzemah]

[FBIS Translated Text] Question: What should Israel do about the talks with the Palestinians?

Answer: Proceed to discuss the permanent arrangement at once — 3 percent; accelerate the talks about the interim arrangement — 8 percent; go ahead with the talks as planned — 25 percent; suspend the talks to reassess the situation — 30 percent; stop the talks altogether — 31 percent; did not reply — 3 percent.

[Tel Aviv MA'ARIV in Hebrew on 28 July publishes on page 1 a similar poll conducted by Mutagim on 24 July. Asked whether negotiations with the Palestinians should continue in the wake of the Ramat Gan bombing, 46 percent said they should not, 46 percent said they should, 6 percent did not know, and 2 percent refused to answer.]

Question: Do you believe the Palestinian Authority is taking real steps to fight terror against Israel?

Answer: Believe — 28 percent; do not believe — 71 percent; did not reply — 1 percent.

The poll was conducted on 25 and 26 July among 505 respondents who constitute a representative sample of Israel's adult population. The maximum margin of error is 4 percent.

Stone Throwing Occurs Near Orient House

TA3107051195 Jerusalem THE JERUSALEM POST
in English 31 Jul 95 p 2

[Report by Bill Hutman]

[FBIS Transcribed Text] Right-wing demonstrators late Saturday [29 July] night damaged Arab cars and property near Orient House, the PLO headquarters in eastern Jerusalem, police confirmed yesterday. Jerusalem Deputy Mayor Shmu'el Me'ir, who also heads the Fo-

rum for Jerusalem group that organized the demonstration, denied the allegations and said the demonstrators were stoned by Arabs. Two protesters were detained during the demonstration.

Yesterday, eight Arab residents and business owners filed a complaint with police alleging their homes, vehicles, and stores were damaged by the Jewish demonstrators.

Meanwhile, the municipality yesterday gave the organizers of the anti-Orient House vigil until this morning to rebuild their tent encampment in a way less intrusive to the area. But city officials did not carry out the demand of Jerusalem police chief Cmdr. Arye 'Amit to forbid those participating in the vigil to sleep there at night because they are disturbing residents and police.

Major General Briefs Knesset on Redeployment

TA0108155495 Jerusalem Qol Yisra'el in English
1500 GMT 1 Aug 95

[FBIS Transcribed Text] Deputy Chief of Staff Major General Matan Vilna'i says the bypass roads do not solve the issue of providing security for Israelis in the West Bank. Gen. Vilna'i detailed before the Knesset Foreign Affairs and Defense Committee today security measures which are to be taken as the committee devoted a special session to redeployment. David Ze'ev reports from the Knesset:

[Begin recording] Maj. Gen. Matan Vilna'i, the deputy army chief of staff, said the redeployment is due to be completed by the middle of 1996. He singled out the month of April. A military official at the closed door meeting of the Foreign Affairs and Defense Committee stressed that the Vilna'i statement was an estimate and that handing over self-rule responsibilities to the Palestinians will be contingent upon political factors as well.

In addition to the civilian bypass roads, Gen. Vilna'i said the Army will construct four roads of its own. At this point, he said, the Army is operating within the framework of a redeployment expense of 1 billion shekels. But that cost, he said, does not include a number of projects, including a barrier around Tulkarm and Qalqilyah, more or less on the Green Line — probably a fence — separating those Palestinian cities from Israeli areas. All told, Gen. Vilna'i put the estimated price tag at 1.6 billion shekels.

As for the bypass roads, the deputy army chief of staff said they do not solve the problem of security, though, in his words, they definitely provide an answer to a certain extent. He said that security measures are also to include installing protective glass on 100 buses transporting

school pupils, at a cost of 30 million shekels and handing out distress communication devices to drivers and residents of the territories.

Likud committee members Ari'el Sharon and Beni Begin complained about what will be the army's inability, under the terms of the accord, to enter the Palestinian cities to combat terrorism. Maj. Gen. Vilna'i conceded that while there will be a large investment in intelligence gathering, an even greater effort, he said, will be necessary to make up for the inability to enter the cities. [end recording]

IDF Said Frustrated by Political Moves

*TA0208115895 Tel Aviv HATZOFE in Hebrew
2 Aug 95 p 1*

[Report by Hagay Huberman]

[FBIS Translated Text] Senior security sources have told HATZOFE that the unrest in the IDF [Israel Defense Forces] concerning the continuation of political moves is mounting.

Our correspondent has learned that the senior IDF echelon is bitter about what it considers the political echelon's "disparaging" attitude toward the IDF position regarding the security aspects of the redeployment.

In private talks, these sources claim that Foreign Minister Shim'on Peres is setting the tone for those ignoring the army position. Recently, when Major General Ilan Biran was asked when the IDF will redeploy outside city centers, he answered: "As far as I am concerned, it will not happen before December, unless they play some kind of trick on us again."

Apparently the officers' feelings stem partly from the fact that the political echelon is leaving them in the dark regarding the political process — mainly about the timetable. Consequently they are forced to base their work assumptions on hearsay.

Thus, for example, they have so far not put anything concerning the Spectrum B timetable on paper.

Defense establishment sources say these feelings are shared by Chief of Staff Amnon Shahaq; Major General Sha'ul Mufaz, commander of the Southern Command; Major General Ilan Biran, commander of the Central Command; and Intelligence Branch chief Moshe Ya'alon.

Our correspondent has also learned that senior officers were surprised by Prime Minister Yitzhaq Rabin's statement following the Ramat Gan attack, to the effect that the negotiations will not be stopped. They believe it would have been preferable for the political echelon to

hold consultations with the senior security echelon over the situation prior to the prime minister's announcement.

Army officers also point to the danger of repeating mistakes by creating security "loopholes" in the agreement currently being worked out. They cite as an example the Cairo agreement which permits the terror organizations to smuggle weapons and explosives into the Gaza Strip via the sea, seeing that fishing boats sailing out to the open sea are not checked, barring open sea patrols by the Navy's Dabur vessels.

In reaction, the IDF spokesman says he rejects any attempt to involve the IDF and its officers in political issues. The heads of the IDF express their professional position in the appropriate forums. Moreover, the IDF is a national body operating under the jurisdiction of the Israeli Government. The IDF spokesman also denied the comments attributed to Maj. Gen. Ilan Biran, commander of the Central Command.

IDF Paper Lists Criteria for Armed Palestinians

*TA0208102395 Tel Aviv HA'ARETZ in Hebrew
2 Aug 95 pp A1, A10*

[Report by military correspondent Eytan Rabin]

[FBIS Translated Text] The Interior Ministry will shortly begin to issue weapon permits to senior Palestinian Authority [PA] officials and their escorts and family members, who will be allowed to accompany them in Israel. This transpires from an internal IDF [Israel Defense Forces] document.

The document, entitled "Procedures for Dealing With Palestinians Bearing VIP Cards," was issued by the IDF in anticipation of the opening of the safe passage between the Gaza Strip and the West Bank, which is expected to take place in the next few days.

Sources in the IDF Planning Branch and General Staff yesterday expressed concern that the new regulations will cause an upsurge in the number of incidents between Palestinians and Israelis.

According to the plan approved by the IDF, three categories of important officials will be determined:

Category A — PA ministers and Palestinian police officers with the rank equivalent to commander or above, who will be given VIP cards. Their first-degree family members, a personal bodyguard, and a driver will also be included in this category.

Category B — Deputy ministers, PA ministries' directors general, and Palestinian police officers with a rank equivalent to deputy commander. These officials will

also be permitted to bring in their close family members and a driver.

Category C — Heads of branches in the PA ministries, other officials with a similar rank, and Palestinian police officers with a rank equivalent to assistant commander.

Category A officials and their bodyguards will be permitted to freely travel in Israel while bearing a 9-mm revolver, two magazines, and up to 30 bullets.

Category B officials will be permitted to bear firearms only in the four safe-passage routes, but will not require a personal permit to visit Israel. Their movements will be coordinated 24 hours in advance.

Category C officials will be able to use the safe passage without a personal permit, but will not be permitted to carry weapons and will require a permit for visiting Israel.

The document stipulates that no armed VIP's, bodyguards, or family members will be permitted to enter Israel or the West Bank without a weapons license properly issued by the Israeli Interior Ministry. The latter will transfer the licenses to the office of the coordinator of activities in the territories, who will in turn pass them on to the Palestinians. The PA will submit its requests for handgun licenses for the important officials, bodyguards, and Palestinian police officers, who will have to await the approval of the Israeli Interior Ministry.

The document specifies that the minister or director general of the PA ministry concerned will have to notify Israel that the bodyguards are armed and provide details on their movement from the Gaza Strip to the West Bank or inside Israel. He will also have to update the representatives of the liaison office at the crossing points from the autonomy to Israel.

The VIP's will only have to undergo an identity verification, while their vehicles and equipment will not be checked, and no routine searches will be carried out on their bodies at the crossing points or roadblocks.

In case of a security alert, the security forces or the IDF will be permitted to hold the VIP's or conduct a full search only with the permission of a brigade commander with the rank of colonel or a police officer with the rank of assistant commander when they are inside Israeli territory.

The document stipulates, however, that the VIP card does not provide its holder with immunity and that a VIP who violates the law in Israel will be tried. It was also decided that Major General Oren Shahor, the coordinator of activities in the territories, will be permitted to unilaterally confiscate the VIP cards.

The Israel Police will transfer to the PA directives regarding the use of firearms in Israel and the West Bank based on the law and regulations valid in Israel and the West Bank, for briefing the VIP's and their guards. The PA will hand Israel a written commitment to brief all persons allowed to travel in Israel while bearing handguns.

Sources in Maj. Gen. Shahor's office told HA'ARETZ the understanding was achieved following demands raised by the Palestinians in the negotiations.

Paper Comments on Syrian, Palestinian Talks
TA0108121795 Tel Aviv HA'ARETZ in Hebrew
1 Aug 95 p A7

[Report by Yerah Tal]

[FBIS Translated Text] The U.S. Administration believes that progress on the Israeli-Syrian track will take place only after an interim agreement between Israel and the Palestinians is signed. This comes from a report that recently arrived at the Foreign Ministry in Jerusalem from the Washington embassy.

According to the report, in talks embassy staffers held with senior administration officials, it came about that the administration is very interested in expediting Israeli-Palestinian negotiations that would lead to the imminent signing of the interim agreement, believing this would lead to progress on the Israeli-Syrian track.

Following his visit to Syria last week, Dennis Ross, head of the U.S. peace team, said that the Syrians are deliberately delaying the negotiations because they wish to prove that it is not being dragged behind the Israeli-Palestinian negotiations. At the same time, Ross also believes that progress on the Israeli-Syrian track is to be expected after Israel and the Palestinians sign the interim agreement.

U.S. Ambassador to Israel Martin Indyk yesterday told Economy and Planning Minister Yosi Beilin that he is optimistic about the chances of the Israeli-Syrian talks resuming soon. Minister Beilin expressed a less optimistic stand, saying he believes that the chances of an Israeli-Syrian agreement being signed before the elections are getting slimmer. Beilin reiterated his view, which says that if no breakthrough is made in the talks this year, there is very little chance of an agreement being signed before the 1996 elections.

In the meantime, Damascus continues leveling harsh criticism at Israel, making even tougher remarks after the recent failure of Dennis Ross' tour of the region. A senior Syrian official was cited yesterday as saying that Prime Minister Rabin's doubts regarding the continuation of the negotiations are due to the fact that "he

has not yet decided whether to make peace with Syria." Speaking at a cabinet session yesterday, Rabin said that if there is chance of making any kind of arrangement with Syria before the 1996 elections, it could only be an interim agreement and not final peace. The Syrian official added that "Syria is willing to make peace within days, provided Israel agrees to fully withdraw from the Golan Heights and introduce balanced and equal security arrangements that would guarantee peace and security for all."

In an interview with the official Syrian paper AL-BATH on Army Day, Syrian Chief of Staff Hikmat al-Shihabi said that regional peace cannot be attained without Syria. "If Israel fails to meet the requirements of peace, it will be hard to expect progress in the peace process or the establishment of a lasting peace in the region," al-Shihabi said. According to him, Damascus "will not surrender to time constraints in the framework of the negotiations and will not accept solutions that might harm its sovereignty."

Reacting to the remarks, political sources in Jerusalem have said that in saying this, the Syrian chief of staff wished to once again clarify his country's position regarding Israel's demands to set up early warning stations on the Golan Heights. The political sources view al-Shihabi's remarks, as cited by the Syrian press, as an unequivocal statement that U.S. and Israeli election dates are not a significant consideration for Syrian policymakers.

The sources claimed, however, that reports received in Israel show a completely opposite picture: Damascus is indeed interested in attaining some sort of arrangement with Israel before the next elections. The sources said that Syria is well aware of the fact that it would be much more difficult to negotiate with a right-wing government whose territorial positions would be much tougher than those of the current government.

Beilin: Forgo Economic Ties With Neighbors

TA0208105295 Jerusalem THE JERUSALEM POST
in English 2 Aug 95 p 2

[Report by Jose Rosenfeld]

[FBIS Transcribed Excerpt] Israel should forgo economic and trade relations with its neighbors, if such relationships are perceived to be an Israeli attempt to dominate the region's economy, Economics Minister Yosi Beilin said yesterday.

Speaking at a Jerusalem conference on economic development and peace in the Mediterranean region sponsored by the Konrad Adenauer Foundation, Beilin noted that given the fact that Israel's economic future is not

based in the region, "I would not force ourselves on our neighbors if they don't want economic relations."

By contrast, Beilin said he sees a future in developing joint infrastructure projects since these are very expensive and all the countries will benefit from the economies of scale.

"We will have to make a bold decision of saying yes to joint infrastructure projects and no to trade and economic relations. I think, though, it's too early to make such a move," said Beilin.

Egyptian Deputy Foreign Minister for European Affairs Ra'uf Ghunaym was careful to define economic cooperation in terms of assuring the even distribution of the benefits of the relationship. "It should not be more profitable for one of the partners," he said.

However, Ghunaym emphasized that economic cooperation needs first to be preceded by peace and that the confidence-building measures that are to establish such peace "cannot be done under the threat of weapons of mass destruction," hinting at Israel's nuclear deterrent.

The conference has been organized to provide suggestions for formulating the European Union's foreign aid program to the Middle East and North Africa.

The EU has approved 4.7 billion ECU (approximately \$6.27b.) in assistance to the region in the next five years. [passage omitted]

Request for Abu-Marzuq's Extradition Criticized

TA0108161995 Tel Aviv HA'ARETZ in Hebrew
1 Aug 95 p B1

[Commentary by Ran Kislev: "Just Don't Let Them Extradite Him"]

[FBIS Translated Text] Our greatest hope concerning the request to have the United States extradite Musa Abu-Marzuq is that the legal experts who took part in the debate on the issue and opposed the request were right. Surely the attitude of these experts, including Justice Minister David Liba'i, must have been professional; namely, they weighed the legal chances of our request being accepted by a U.S. court — such a request would have to be based on substantiated evidence in accordance with international law and the extradition treaty with the United States — and opposed it after they concluded that there was insufficient evidence.

If this is the case and the experts were not wrong, there is no reason for concern. We will do our bit, submit an official extradition request, a U.S. court will deliberate on it for one, two, or six months, followed by another six months of appeals, and the man will in the meantime

sit in jail. In the end they will decide not to hand him over to us and then deport him to one of the Persian Gulf states or anywhere else in the world, away from us. That would truly be ideal.

But what happens if our legal experts turn out to have been wrong and there is a chance that our extradition request may be accepted? What will we do if the Americans are only too happy to get rid of Abu-Marzuq and deliver him to us within the next few weeks? What will we do with this pain in the neck?

What were those "security elements" who supported the extradition request, including Yitzhaq Rabin, thinking of doing with Abu-Marzuq if he fell into their hands? He will probably arrive here amid the fanfare of the international media which will continue to cover his story for a long time. In such circumstances, the Shin Bet will have a hard time interrogating him — not just in accordance with the "special permit," but even within the parameters allowed by the Landau Commission — to get out of him information to be used in the war against Hamas [Islamic Resistance Movement]. Reactions to Amnesty International reports about torture during interrogations in Israel will be chicken feed compared with the international uproar that will erupt if we try the "moderate physical pressure" methods on this man.

The situation will not be any easier when the investigation is over. We are not likely to be able to keep him in administrative detention without attracting the attention of the civilized world to such form of punishment. We will have to put him on trial, and his trial will obviously not resemble military trials to which ordinary terrorists are subject in Israel. We will have to conduct a real trial, which will be covered by all major television networks and will most probably feature a shrewd foreign defense lawyer. How long will it take such a lawyer to prove to the entire world that what we are holding is a political trial of the freedom fighters of an occupied people?

Let us say we overcome this obstacle and finally get the man convicted according to all the rules of justice and he is sent to jail for many years, if not for life. Let us say we honorably cope with the amnesty requests that will most probably pour in from anybody who is anybody in the world. What is the point in turning the man into a martyr in the eyes of the Palestinians and give Hamas more credit among the Arabs? Don't we have enough with the incarcerated Shaykh Yasin, of whom we cannot honorably rid ourselves either?

Is it not an excessively high price to pay for the short-lived pleasure of fulfilling the thirst for vindictiveness of the Israeli people and proving how determined we are to fight terror? Nobody will really convince me that we

are talking about some other gain, that the arrest of one man will seriously disrupt the activities of Hamas. Not only did Hamas not break down after Shaykh Yasin's arrest, but it got an unprecedented boost. Does anybody seriously think that the situation will be any different if we arrest, try, and incarcerate the head of Hamas' political bureau, whose direct link to acts of terror in the field we will barely manage to prove?

Of course, when all this is over, the day will come when we will have to release Palestinian prisoners, including members of Hamas. How long will Musa Abu-Marzuq sit in an Israeli jail before he comes out of it a Palestinian national hero?

Our greatest hope is that our legal experts are right when they say that there is no legal basis for the request to extradite Abu-Marzuq from the United States. But what happens if this time they are wrong? God help us!

Editorial Praises Request for Extradition

TA0208112195 Jerusalem THE JERUSALEM POST
in English 2 Aug 95 p 6

[Editorial: "Abu-Marzuq's Extradition"]

[FBIS Transcribed Text] Prime Minister Yitzhaq Rabin's decision to ask the US for the extradition of Hamas [Islamic Resistance Movement] leader Musa Abu-Marzuq is a welcome sign of resolve and determination. It should be supported by Israelis of all political hues.

Terrorist activity per se is not an extraditable offense in the US, and to prove Abu-Marzuq's personal involvement in murder and mayhem may be difficult — heads of terrorist organizations do not usually risk their own lives. But it should be possible to show that Abu-Marzuq has commissioned and organized the murder of civilians, and that if the US is serious about combating terrorism it should extradite him. It would be unthinkable for Israel to refuse a US request to extradite an accomplice in, say, the Oklahoma outrage, even if his connection with the crime proved purely administrative.

There are those in Israel who hope that the American authorities will refuse the Israeli request. They dread Israel's exposure to the kind of media attention a hearing in the US and a subsequent trial in Israel will undoubtedly bring, and some also fear retaliation by Hamas. To this, Foreign Minister Shim'on Peres had an apt reply on Monday [31 July]: "Whoever is afraid of terror, surrenders to terror. We will not be frightened."

That Abu-Marzuq's lawyer is an American Jew is hardly surprising. Me'ir Kahana's assassin and the World Trade Center bombers were also defended by a Jewish lawyer. This has nothing to do with the American

tradition of providing even the most despicable criminals with the best available defense.

In these cases, the legal support for Islamic terrorists is ideological. As Abu-Marzuq's lawyer Stanley Cohen put it on Monday, the issue is "the Palestinian struggle for liberation." And indeed, many American and Israeli Jews have been in the vanguard of this struggle.

Cohen expects that just as Yasir 'Arafat has become a respectable "head of state," Hamas leaders will soon enjoy international recognition as patriots and freedom fighters. That Hamas subscribes to a charter which calls for the annihilation of Jews apparently does not bother him, perhaps because the PLO charter, still in force, does not seem to affect 'Arafat's status.

Ultra-liberals who view Hamas as oppressed people fighting for liberty and the timorous who fear the organization's retaliation seem to share a misunderstanding of militant fundamentalism. The enemy of Islamic militancy — a movement sweeping the Moslem world from Algeria to Afghanistan — is Western civilization and its rapidly spreading influence. In this constellation, Israel plays but a small role. If its annihilation is deemed necessary, it is because it occupies what Moslems consider inviolate Islamic land.

To worry about "retaliations" in this context is to lose sight of the movement's magnitude and ambition. It may be good public relations for Hamas to describe suicide bombings as retaliations for the massacre in the Cave of the Patriarchs or for the IDF [Israel Defense Forces] killing of wanted terrorists, but the fact is that the current wave of suicide bombings against the West and Israel began in 1982, and it will not end if Israel quits the battlefield.

Nor should Israel delude itself about the scope of Arab support for this war. Despite the PLO condemnations of suicide bombings, the Palestinian Authority has offered asylum to Abu-Marzuq, and 'Arafat refers to his "brother" Shaykh Ahmad Yasin at every opportunity. If there is hope of defeating this kind of terrorism, it lies not in trepidation and hesitancy, but only with the kind of resoluteness shown by the government in demanding Abu-Marzuq's extradition.

Settlers Continue Actions; Police To Evacuate

Settlers Man New Sites

TA0108065195 *Jerusalem Qol Yisra'el in Hebrew*
0400 GMT 1 Aug 95

[FBIS Translated Text] The settlers established three new sites last night: two in the vicinity of Efrata and the third near Bet El. Our correspondent Gay Qotev reports that large police and army forces are massing

near Bet El in order to evacuate the spot known as Bet El Gimmel. Last night, the police released on bail all the settlers arrested yesterday during the evacuation of the hill next to Efrata. All of those arrested were released on their own cognizance except for one man who attacked a policewoman and had to bring a bail bondsman.

On the other hand, a Jerusalem judge ordered the remand in custody for 48 hours of 13 members of the Hay Veqayim [Long Live the Hebrew Revolution] movement who were arrested yesterday while attempting to pray at the Temple Mount. The judge reached his decision after receiving classified information from the police. Two of the movement's members were released.

Rabin, Netanyahu Comment

TA0108102895 *Jerusalem Qol Yisra'el in Hebrew*
0900 GMT 1 Aug 95

[FBIS Translated Text] The evacuation of the settlers from the site near Bet El has been completed. Our correspondent Gay Qotev reports that approximately 100 people were temporarily detained and placed on buses. Large police and army forces evacuated the settlers, including children.

Commander Alik Ron, the commander of the Israel Police Judaea and Samaria Division, told our correspondent that several settlers and policemen were lightly injured during the evacuation. Ron noted that the settlers who were arrested will be questioned and then released. Among those evacuated was Pinhas Wallerstein, the chairman of the Binyamin Regional Council. The evacuating forces were also led by Major General Gabi Ofir, the IDF [Israel Defense Forces] commander in Judaea and Samaria.

Likud Chairman Binyamin Netanyahu called on the settlers to exercise restraint in all their activities and said he expected them to operate within the framework of the law. Netanyahu added that although he would not have brought children along on such activities, he sympathized with the settlers' frustrations. Netanyahu told Qol Yisra'el that the settlers are a large sector being pushed to the wall out of fear for their lands and concern about the security situation. He reiterated his criticism of the government's policy and called on it to change direction.

Prime Minister Yitzhaq Rabin this morning told residents of the northern part of the Dead Sea that had he been able to, he would relocate to their area hundreds of empty apartments from other settlements, which in his opinion should receive far lower priority. The prime minister, however, noted that it was impossible to reverse established facts in every field. Our correspondent

Gil Litman reports that the prime minister toured settlements along the northern shore of the Dead Sea and spoke with local residents from Kibbutz Qalya.

Rabin: 'Authorities Will Enforce' Laws

TA0108135695 Jerusalem Qol Yisra'el in Hebrew
1200 GMT 1 Aug 95

[FBIS Translated Text] Prime Minister Yitzhak Rabin told settlers that the authorities will enforce the law and deal with what he termed ridiculous provocations as deemed necessary. According to Rabin, his government aspires to uphold Jerusalem's unity and Israel's sovereignty in the city. He added that throughout history Jews have directed their prayers toward Jerusalem, rather than Gamla on the Golan Heights or Nabulus.

The prime minister made these remarks in a meeting with settlers during a tour of the Jordan Rift Valley. Our correspondent Gil Litman reports that sharp exchanges occurred during the meeting and that several settlers stated that the government had no Jewish majority to fulfill its policy and was relying on Arabs. The prime minister replied that this was a racist argument and that racism and Judaism were incompatible.

Further on Rabin Remarks

TA0208103095 Jerusalem Qol Yisra'el in Hebrew
0900 GMT 2 Aug 95

[FBIS Translated Text] Prime Minister Yitzhak Rabin said that we are witnessing attempts by a minority to create a rift among the people. This minority, which refuses to accept the majority's decision, is fomenting incitement and spreading lies to the effect that the government is neglecting the personal security of Israeli civilians.

Our correspondent Yo'el Nir reports that at today's cabinet session, Mr. Rabin accused these elements of undermining security, harassing the Israel Police and the IDF [Israel Defense Forces] and hampering their fight against terrorism, as well as disrupting military training. The prime minister added that although these demonstrations were pointless, they were serious in nature and the government would exercise the law to its full extent in order to prevent the establishment of fictitious settlements that disrupt daily life.

Rabin firmly rejected calls not to use female soldiers to evict women. On the one hand, Rabin said, the feminists want women to serve as pilots, but on the other hand they express concern about the mental state of female soldiers. But who will deal with female demonstrators, the prime minister asked? Rabin added that he did not want to see men having to evacuate women.

As for the talks with the Palestinians in Elat, the prime minister noted that progress had been made in the negotiations. At the same time, our political correspondent Shlomo Raz points out that the progress Rabin was referring to relates to minor issues, whereas there are still gaps between the parties' positions with regard to the major problems.

IDF Said To Take Firm Action

TA3007102095 Tel Aviv HA'ARETZ in Hebrew
30 Jul 95 p A2

[Report by Eytan Rabin]

[FBIS Translated Text] A senior military source said yesterday that the army will not allow settlers to establish settlements or erect roadblocks. According to him, the IDF [Israel Defense Forces] will act firmly against anyone who erects roadblocks or sets up strongholds. "The army, not the settlers, sets up strongholds. If they set up strongholds or undertake any activity that falls within the jurisdiction of the security forces, the IDF will take firm action against them."

Major General Ilan Biran, commander of the Central Command, held a meeting with settlement representatives over the weekend to discuss the settlement set up on Hadagan Hill. Biran told the settlers that the settlement is illegal and that the IDF will act in accordance with the legal opinions it will receive.

The IDF and the Judea and Samaria District Police are collecting intelligence information regarding the settlers' activity in the West Bank.

A military source said the settlers are violating the law and disrupting IDF and police activities. According to him, groups of settlers have been keeping large army forces preoccupied, forcing the army to change its deployment and call off operations.

Editorial Praises Government Firmness

TA0108143395 Tel Aviv HA'ARETZ in Hebrew
1 Aug 95 p B1

[Editorial: "A Precedent on Hadagan Hill"]

[FBIS Translated Text] It is not a pretty sight watching policemen and soldiers evacuate a group of settlers from where they have planted tents and huts. It is reasonable to assume that the settlers from Efrat, the so-called mother-settlement of Hadagan Hill, believed the government would not dare dismantle their daughter-settlement.

The settlers could count on last month's experience, when the government refrained from reacting against all

their anti-government action. The heads of the Council of Jewish Settlements in Judaea, Samaria, and the Gaza Strip initiated a series of acts aimed at proving that the implementation of the Oslo accords must be stopped.

It was common knowledge that the council was interested in exacerbating what it considers the unavoidable confrontation with the government. This is why it initiated acts which the government could interpret as harming its authority, and perhaps even as criminal acts. Legal action could have been taken against people who blocked a main road for two hours. The settlers are also not entitled to fence off large tracts of land as "state land" in a bid to prevent their transference to the Palestinian Authority [PA].

The government deemed it prudent not to react firmly against all these provocations. This prudence, however, was interpreted by the settlers as a sign of weakness. It is also possible that some council members even convinced themselves the government is in fact turning a blind eye to their action aimed at enlarging the settlements.

The evacuation operation on Hadagan Hill was necessary in order to explode these illusions, and especially in order to prove to the settlers that the government is in control of the situation in the territories. In the past, when the Efrat settlers commandeered Hazayit Hill, the government showed far-reaching appeasement by authorizing the settlers' takeover of Hatamar Hill as compensation; it could not tolerate, however, their further expansion toward Hadagan Hill.

It is interesting to note that there is no unanimity regarding this act even among the settlers of Efrat themselves. Yinnon Ahiman proposed that the Jewish National Fund [JNF] plant a forest on Hadagan Hill and that a house be built there for a forester to supervise the place on behalf of the JNF, the Civil Administration, and the Efrat municipality. This proposal could have taken the political sting out of the affair; the JNF is a separate body from the council of settlements, and foresters are not settlers. The Efrat extremists, however, rejected this proposal; this group sought, on the contrary, to highlight the political significance of the settlement attempt. This group believes the momentum created in the area should be used for creating a struggle and setting a flame to the struggle against the second stage of the Oslo Accords.

It is doubtful whether the general public would have followed their lead in this struggle; the public's reaction to the fencing operations and the demonstrations on the roads did not meet the settlers' expectations. The government, however, will not be able to ignore the actions of the settlers much longer. It must prove to the settlers that their attempt to minimize the area slated to

be handed over to the PA in all matters barring security is doomed to failure.

This was the emphasis of the evacuation from Hadagan Hill, where the government proved it will not hesitate to use its authority even if this means using the IDF [Israel Defense Forces] and the police. The government is not the party which is eager to exacerbate the confrontation with the settlers; on the other hand, it could not sit idly by in view of the Efrat settlers' provocation. Hopefully this precedent will throw cold water on the settlers' zealotry. They cannot force the government to change its political approach. Even if they place some more shacks on some hill they will fail to achieve this objective.

Tactics Seen as Based on Misperception

TA0208101795 Jerusalem THE JERUSALEM POST
in English 2 Aug 95 p 2

[Report by David Makovsky]

[FBIS Transcribed Text] It has often been said that generals are often busy fighting the last war. Settlers could easily fall in the same trap.

Some settlers, who were dragged away by the IDF [Israel Defense Forces] from a barren disputed hilltop in the territories yesterday, insisted that their goal was not to block a peace agreement with Palestinians or to assert ownership of a specific hill, but rather to illustrate to the authorities how difficult it will be to dismantle settlements when that time comes. It seems like the paradigm in these settlers' mind is Yamit 1982.

Yet from all that can be gathered from officials involved in the negotiations with the Palestinians, Yamit is the wrong paradigm. Rather, these sources say, that when a final status agreement, which will include getting out of a sizeable chunk of the territories, is reached sometime after the 1996 election, they believe many settlements will remain in Israeli hands.

Seventy percent of the settlers live in large blocs of settlements that occupy on 11% of the territories. Those settlers living outside of these blocs, however, will almost certainly have to vacate their homes.

Therefore, the IDF will simply announce in advance that it is leaving specific zones on such and such a date and those who do not want to leave will be left behind — at their own risk.

These officials insist such an approach will be more effective, less traumatic, and less messy. There will be no army bulldozers knocking down buildings as there was in Yamit; nor will soldiers be dragging settlers away.

An agreement will be worked out with the Palestinian Authority so that those few who want to stay under Palestinian control will be able to do so.

Maj-Gen. Nasr Yusif, head of the PA's National Security Forces, has said that the settlers would be welcome to become part of "Palestinian society" and even vote in their elections.

Many settlers portray such a deal as being not too different from evacuation. It is precisely this perception among the settlers that makes many government officials believe that ultimately those settlers will end up leaving on their own.

Either way, the government believes it will be spared the necessity of actually having to dismantle settlements.

Relations With Canadian Foreign Ministry 'Tense'

TA0208144395 Jerusalem Qol Yisra'el in Hebrew
1400 GMT 2 Aug 95

[FBIS Translated Text] The Foreign Ministry in Jerusalem has decided to return to sender a letter from the Canadian Ministry of Foreign Affairs addressed to Tel Aviv rather than Jerusalem. The letter was sent back marked: Address unknown. Our political correspondent Shlomo Raz reports that the Foreign Ministry decided to take this step after it reached the conclusion that Mark Peron, deputy director general of

the Canadian Ministry of Foreign Affairs and chairman of the multilateral talks committee on refugees, was not acting in good faith. Our correspondent notes that relations between the two ministries have been tense recently.

Cuba Seeking Establishment of Relations

TA0108141595 Tel Aviv DAVAR in Hebrew
1 Aug 95 p 1

[Report by Moti Bassok]

[FBIS Translated Text] Cuba has recently been looking for ways to establish relations with Israel. Cuban ambassadors in various countries approached their Israeli counterparts, but Jerusalem has so far turned down all the requests.

Cuba is the only Latin American country that does not maintain diplomatic relations with Israel. Avi Sitton, the Foreign Ministry's assistant director general in charge of Latin America, said that by establishing relations with Israel Cuba is apparently hoping to improve its relations with the United States.

According to Sitton, if Cuba publishes an apology for its role in the UN resolution 20 years ago that equated Zionism with racism, contacts between the two countries would be stepped up.

Newspaper Hails King Husayn-Mubarak Summit*JN0208100295 Amman AL-DUSTUR in Arabic
2 Aug 95 pp 1, 28***[Editorial: "Husayn-Mubarak Summit"]**

[FBIS Translated Text] Bilateral relations and Arab concerns and issues were at the center of talks at the summit meeting between His Majesty King Husayn and his brother His Excellency President Husni Mubarak in Alexandria yesterday. The results of the meeting coupled with the positive atmosphere were a practical and direct outcome of the Alexandria summit, which was characterized by frankness and a high sense of pan-Arab responsibility on the part of the two leaders.

There is no doubt that pan-Arab issues yesterday centered the concerns of King Husayn and President Mubarak. At the end of the summit, the two leaders underscored their determination to forge ahead with efforts to reunite Arabs and unify their positions as soon as possible, given that this move is the realistic approach to accomplish integration, bolster the sought-after solidarity, and, thus reinstate the Arab nation in the position it deserves on the world political map.

Jordanians as well as Egyptians were very delighted to hear His Majesty King Husayn saying at the end of his meeting with President Mubarak that relations between Amman and Cairo are exemplary. This represents an objective contribution to realizing the higher pan-Arab goals, given the credibility the Jordanian and Egyptian leaderships enjoy in the Arab world and the active and coordinative role they can undertake in reuniting the divided Arab rank.

Perhaps the current issue most influenced by the positive results of the Alexandria summit is those topics relating to the ongoing peace process, especially on the Palestinian track. King Husayn and President Mubarak have an extremely important role in surmounting difficulties and advancing the Palestinian-Israeli negotiations. This is because these two Arab leaders enjoy the respect and confidence of the parties concerned with the future of this process, including the Israeli party.

We are aware that the Husayn-Mubarak agenda included various bilateral and pan-Arab issues of common concern. However, we realize that these two great leaders have paid attention to the Bosnian tragedy, given the fact that this issue has become a top priority for Jordanians, Egyptians, and all Arabs, especially after the recent developments that have placed the Bosnian tragedy on top of the Arab, Islamic, and world concerns.

We are optimistic about the good results and the positive atmosphere of the Husayn-Mubarak summit in Alexandria yesterday. We hope that the Jordanian and Egyptian diplomatic efforts to restore Arab solidarity will be given an immediate, large-scale, and thorough response by the rest of the Arab leaders, who now realize that the only way for them to realize the Arab nation's aspirations for a better future is solidarity, coordination, and concerted Arab action.

Minister Confers With Palestinian Counterpart*JN0108150295 Amman Radio Jordan Network
in Arabic 1400 GMT 1 Aug 95*

[FBIS Translated Text] Dr. Khalid al-Karaki, deputy prime minister and information minister, today received Yasir 'Abd-Rabbuh, minister of culture and information of the Palestinian National Authority. The directors general of the Jordanian News Agency, the Palestinian Radio and Television Corporation, and the Press and Publications Department attended the meeting.

The two sides discussed bilateral cooperation in various media areas, as well as issues related to press and publications, news agencies, and ways to promote television and radio for the benefit of both countries.

Cooperation Agreement Signed With Sudan*JN0108170895 Amman Jordan Television Network
in Arabic 1500 GMT 1 Aug 95*

[FBIS Translated Text] Jordanian and Sudanese delegations signed a cooperation agreement at the Jordanian Interior Ministry today. The agreement calls for joint cooperation between the two fraternal countries in security and police areas and for the exchange of expertise in issues related to policewomen.

The agreement also calls for holding courses, exchanging expertise between the various organs of the two countries' foreign ministries, promoting police relations and civil defense, and qualifying cadres for the benefit of both countries.

The agreement was signed for the Jordanian side by Interior Minister Salamah Hammad and for the Sudanese side by Interior Minister Brigadier General al-Tayyib Ibrahim Muhammad Khayr. The signing ceremony was attended on the Jordanian side by Lieutenant General 'Afif al-Ghul and on the Sudanese side by the accompanying delegation, the Sudanese ambassador in Amman, and several civilian and military officials.

Hizballah's Mughanniyah Said To Be in Country

NC0108173495 Beirut AL-SHIRA' in Arabic
31 Jul 95 p 9

[FBIS Translated Text] Prominent Hizballah official 'Imad Mughanniyah, whose name tops the list of persons wanted by the Western intelligence services, has been in Lebanon for some time.

It is not known why Mughanniyah, who resides in Iran, has come to Lebanon. Some informed sources say it could be related to the series of changes within Hizballah's leading positions since the party's recent congress, particularly since Mughanniyah is considered to be one of the actual leaders of the party.

Al-Hariri Interviewed on Economic, Regional Issues

MM3107132295 London AL-HAYAH in Arabic
28 Jul 95 p 4

[Interview with Prime Minister Rafiq al-Hariri by Randa Taqi al-Din in Paris "yesterday"]

[FBIS Translated Text] [al-Din] Palestinian President Yasir 'Arafat has expressed his astonishment at the Lebanese authorities' accusations that he was the instigator behind the demonstration called for by the General Federation of [Lebanese] Workers. 'Arafat said that the Palestinians cannot instigate the Lebanese workers. So on what did you base your accusations that Palestinian elements outside Lebanon incited the workers in Lebanon to demonstrate?

[Al-Hariri] The fact of the matter is that the [Lebanese] security forces picked up a telegram sent by the Palestinian leadership inciting people to demonstrate. So when the Lebanese Government decided to ban the demonstration, the Palestinians' involvement in the question of the demonstration became limited. Basically, the demonstrations have been limited and nothing happened anywhere. Only 100 people demonstrated in Beirut and about 150 in Sidon. Some persons attacked the security forces and set one of these forces' cars on fire. It transpired these persons were not Lebanese.

[Al-Din] By taking your decision to suppress the demonstration, your government appeared to have chosen to become captive of the security establishment in resolving problems, and you personally seemed to be a repressive man while Nabih Birri, speaker of the Chamber of Deputies, seemed to be a man of reason because he opposed your decision to suppress the demonstration. Why did you choose this method when you say that you are a man of dialogue?

[Al-Hariri] All actions in the country must be based on the law. True, demonstrations and strikes are means of

expression, but they should be carried out within specific rules and within the limits of the law.

In the letter it sent to us, which was read to the Council of Ministers by the minister of the interior, the General Federation of Workers did not ask for permission to stage the demonstration but only informed us of its plans to stage the demonstration.

Even in France and in all democratic countries, there are special rules governing demonstrations and they require that permission should be sought prior to the staging of demonstrations and that agreement should be reached between the authorities and the demonstrators according to which permission would be given to stage the demonstration within the limits of the law.

Because of the question of security and the indiscipline that the Lebanese people have been living under for so many long years, and for which they have paid very, very dearly, it was necessary for the Lebanese authorities not to deal with the matter lightly and in the manner of "it is OK" and "never mind," for we have fairly recent experiences in this respect.

The letter they wrote and the places they chose to demonstrate in did not signify a movement of expression but an attempt to overthrow the regime. This was what prompted the government to think at length about this matter and the way the request for the demonstration was formulated, because we saw no reason for the General Federation of Workers to stage any demonstrations, since we have been negotiating with it and have not closed the door on negotiations nor did we suspend negotiations.

As the dialogue was going with the minister of labor, strong words suddenly began to be heard calling on people to come down into the streets, and making threats and so on so forth...; this was a tone which the Lebanese had heard before at the start of the security muddle in the country.

So we, being a responsible government, could not let matters proceed in this manner. We said we are faced with two issues: The first is one of security and nobody can deal lightly with it at all, because it affects the lives and the present, future, and the very recent past of the Lebanese. The memories of the recent past are still fresh in people's minds and there are still families suffering because of what has happened in that past. The second is one which affects the economic, social, and living conditions of the people. In this field, we are prepared to work seriously and with utmost sincerity and honesty to find solutions to the problems.

As regards salaries, they totaled 900 billion Lebanese pounds [LL] at the time we assumed office in 1992.

But today, they total LL2,200 billion, which means that in just three years, they have increased by 125 percent. The rate of exchange at the time we assumed office toward the end of 1992 was LL3,000 to one U.S. dollar but today it is LL1,600 to one U.S. dollar. Thus the rate of exchange is the same [as published] while salaries have gone up by 125 percent. Furthermore, inflation is limited and has ranged between 10 percent, 12 percent, and 15 percent in the past three years.

I cannot claim that the employees have become rich. But we have, in fact, been evaluating the resources open to us and thus we have raised salaries to a level which we feel would not harm the financial conditions of the people. We do not wish to enter the arena of one-upmanship and thus grant increases which would adversely affect people with a limited or medium income.

Frankly speaking, what stops me increasing salaries two-, three-, or even four-fold and making people happy is that one or two weeks later the position of the Lebanese pound would deteriorate and consequently it would be the poor who would suffer and not the rich. The naive can be easily deceived by a couple of sweet words, but in the end, they find themselves with a salary that has increased in form but not in effect.

The minimum level of wages was LL18,000, that is less than \$40, but today it is LL250,000, that is about \$150. These sums are naturally small and I do not claim that the working class has become rich. Indeed, I admit that there is poverty and that there are social needs that were brought about by the war, and this too is true.

But the government is trying to deal with matters within the limits of available resources and has placed social matters among its priorities. To say that the government does not care about social problems is not correct and is mere balderdash.

[Al-Din] With regard to the question of the increase in the prices of benzine which prompted the people to demonstrate, the government exercised its power by suppressing the demonstrators while everyone knows that benzine in the country is monopolized by groups of people who occupy posts in government. Why does not the government exercise its powers against those who monopolize the benzine and distribute it in the country?

[Al-Hariri] I repeat and say that a society without a state and a state without prestige lead to the absence of security and stability. As far as we are concerned, this matter is above controversy. Some people ask, why does the state not import benzine? But the fact of the matter is that there is no way to prove for sure that should the state begin to import benzine, it will reap the profits

we hear of, particularly as the fuel bill in the country does not exceed \$600 million. By the fuel bill I mean benzine, fuel oil, and gas and oil by-products.

When I talk about fuels I also mean the profits of the importers and distributors, the cost of the storage of benzine, and the value of the commodity itself including the taxes. So how can some still say that with such a bill (of less than \$600 million), profits amounting to \$500 million or \$400 million can be realized. This is unrealistic talk. I am not privy to the books of the fuel merchants. But from a logical point of view, when the value of the benzine sold in the country amounts to about \$300 million before tax, how can profits of \$500 million be made, as they allege. I cannot understand such claims. The selling price of benzine includes the price paid by the merchants for obtaining the benzine, the cost of storing it, the value of the amounts that evaporate off, the cost of storage at gas stations, and the cost of the transportation of oil. And all that the benzine merchants get from selling the benzine amounts to \$290 million. How can there then be profits?

[Al-Din] But the people are disappointed not because of the figures but because of their realization that the importer and distributor of the benzine is not the state but a group of people in government. How can there be trust?

[Al-Hariri] There is an impression in this regard which the state should seek to change. The government must consider what should be done, from a political point of view, about the question of fuels so that it may change this impression. Perhaps the state ought to have a hand, in one form or another, in the importation of benzine, though the state does import at present, and because of its importation of benzine, the state can determine its prices so that people would not be exploited by the importers. For example, the state does import fuel to the value of \$150 million for use by electric power stations and the rest of what the state imports consists of fuel oil, gas, and other oils.

[Al-Din] You relieved Minister of Electricity George Afram of his post on the grounds that electricity was not being supplied quickly. But several years have passed and electricity has not come yet.

[Al-Hariri] No. Electricity is coming and the situation is improving. The electricity program might have been a few months late, but the electricity program is progressing. Today work in the field of electricity is going on in all areas and so are the excavation operations for laying the electric cables. The repair of electric power stations is going on day and night. Furthermore, contracts have been concluded for the

importation of two electric power stations, one for the al-Zahrani area and the other for the al-Baddawi area.

[Al-Din] When will the electricity supply return to normal?

[Al-Hariri] According to the program, this should take place by the end of the year, when supply will be continuous for 24 hours a day. This will happen in a large section of the country, and a few months later it will cover the whole country. The electricity program is progressing fast but the problem in respect to electricity is that as some electric power stations are being repaired, others stop operating and have to be repaired. The repair operation has now been completed and the stoppages have ended. Now every station is being repaired and added to the production operation.

[Al-Din] You are also being blamed over the reconstruction policy on the ground that you have meanwhile ignored social policy.

[Al-Hariri] I hear such talk, but it is not true. For we try, within the resources available to us, to pay the necessary attention to the social field as well, which is represented in the first place by salaries, followed by the health service. The budget of the Health Ministry has doubled in the past three years from LL75 billion to LL158 billion in 1995. This is in addition to the hospitals, which are now under construction financed by money received from the development funds, the World Bank, and the aid programs.

The budget of the Lebanese University has also increased many times over and the same can be said about the budgets of the Ministry of Education and the Ministry of Higher Education and Culture. Expenditure in the social field has increased by 150 percent, and this is a huge increase.

But what takes place in the field of construction is visible to the people and they can see it with their own eyes and so they talk about it. For example, when the Beirut Tunnel was opened, all could physically see it. But the funds spent on hospitals cannot be seen by the people. The airport is now under expansion and people can see that. I have heard some criticism made about the airport and Sports City which, in any case, has received donations from the Arab countries. The second part of its construction will be financed through the system of Bot [word published in English; expansion/meaning unknown], meaning that the state does not bear any of the burden. As regards the airport, we are a country surrounded by friends or enemies and all possess huge capabilities for receiving passengers. Even Cyprus has expanded its airport so much that it has become bigger than Lebanon's airport. Our enemies are expanding

their airport capacity to receive passengers because they consider tourism to be so essential.

[Al-Din] You want to speed up the expansion of the airport but Middle East Airlines [MEA] is in bad shape, so much so that it has been impossible to appoint a board of directors for it. What is the cause of the conflict between you and Birri in this matter?

[Al-Hariri] Beirut airport is called Beirut International Airport and it receives planes from all over the world. It used to receive planes from Canada, the United States, and all parts of the world. So far we have not been able to attract back all the airlines that used to come to Beirut. But with every passing month, the number of airlines that are using Beirut Airport is increasing. Undoubtedly, MEA is a national company and it is very important. It has suffered because of the conditions of the war. The term of its board of directors has expired and a new board of directors has to be elected. But this has been delayed for a month. As to the question of the conflict, people have been making much more of it than there really is.

[Al-Din] Had the matter depended on you alone, the board of directors would have been appointed by now. Is it not so?

[Al-Hariri] But the matter does not rest with me alone. MEA is a commercial structure and it is a private company in which the state owns a small percentage of shares. Air France and the private sectors have also shares in it. Some of its shares are also owned by Intra [Bank] which consists of a number of investors. The premiership and the government have no direct authority over MEA.

[Al-Din] But the Central Bank has such authority through the Intra Bank. Is that not right?

[Al-Hariri] The Central Bank also has no influence, because there are laws and we are a country of law. The Central Bank has a share in Intra, but Intra is an independent company with its own board of directors, which decides what should be done. As far as the Central Bank is concerned, the matter is a moral one more than anything else. Even the government has no authority over the Central Bank, as its authority is only moral and not clear and open.

In my opinion, the MEA board of directors should consist of persons independent of the political authority, should have sufficient powers, and should be trustworthy to run the company. This, in my opinion, is the ideal solution to the MEA question. God willing, the boards of directors of Intra and Air France may succeed in reaching a solution of this sort.

[Al-Din] During your last visit to France, it was agreed that Air France would give the MEA some planes equal to [in lieu of] its share of the increase in the capital of the company [MEA]. What do you say about that?

[Al-Hariri] Thus far, I believe that this proposition is not bad. If there is to be an increase in MEA capital, then it should be all right for Air France to contribute to this increase by giving aircraft.

[Al-Din] Will you be asking the French for this?

[Al-Hariri] This matter is not on the agenda. But if Air France wants to preserve its share in MEA and does not want to contribute cash, then it can do so through giving these planes provided that the value of the planes it gives is appropriate and that the planes are of the kind MEA needs, otherwise, it is better that it contributes cash.

[Al-Din] Do you intend to discuss the question of Michel 'Awn's return with the French?

[Al-Hariri] The question of Michel 'Awn has not changed for many years. They always put this question to me in France and in Lebanon. Michel 'Awn came to France under a specific agreement prior to our assumption of office. This agreement is still valid and has a specific term. Nobody has so far asked for the amendment or the changing of this agreement. I, personally, see nothing new in respect of this question. It is an agreement between the French Government and the Lebanese Government and Michel 'Awn is a party to it. The agreement is still valid.

[Al-Din] But the agreement will expire shortly?

[Al-Hariri] I believe it will expire next year. I have not looked at the date of its expiry but I know that it runs for five years and that 'Awn had left Lebanon for France around the month of August.

[Al-Din] But the French Foreign Ministry said yesterday that there was no written agreement and that General 'Awn is in France as a political refugee. How could that be?

[Al-Hariri] There might be something written and signed. But from a legal point of view, agreements could be written and could be verbal. The agreement, however, runs for five years.

[Al-Din] Once the period of five years expires, could he return to Lebanon?

[Al-Hariri] Of course he could come back.

[Al-Din] Can the present set-up in Lebanon accommodate him?

[Al-Hariri] He can even return before the lapse of the five years. I believe his return after the five-year period

would give rise to a specific legal situation and his return before the lapse of the five-year period would give rise to a different legal situation.

[Al-Din] Can the political set-up in Lebanon endure his return?

[Al-Hariri] By God, what sort of country would it be that cannot endure the return of one person.

[Al-Din] These words deserve to be written as a headline.

[Al-Hariri] Make them a headline. Is it logical that a country as long and as wide as Lebanon cannot endure the return of one person? If it cannot do so, then it is not a country.

[Al-Din] As I have read in LE MONDE, you are coming to France to ask it to activate its contribution to the reconstruction operation. Have you lost hope of securing such help from the Arab brothers?

[Al-Hariri] No. But we must differentiate first between donations, aid, and participation. In our discussions with France, we will cover everything, including whatever donations they can make. So if they offer us donations, we will not say no. We, however, believe that common economic interests were the basis of what exists between us and France. Whatever donations or assistance the French might offer us, they will be limited. But what would serve both countries' interests would be serious participation in the operation of the reconstruction of Lebanon on a basis that is reasonable for Lebanon and beneficial for France. Furthermore, I wish to discuss with President Chirac and Prime Minister Juppe the question of French support for Lebanon on the European question, because the European countries have a special system for dealing with friendly countries including Lebanon. In the past years, the money we received from Europe used to be very limited.

[Al-Din] Will your friendship with Chirac and your trust in him help to convince the companies, for example, to contribute to the process of reconstruction in Lebanon, and is Chirac in a position to exert pressure on all of them?

[Al-Hariri] Exactly. I do not have the least doubt that the French president will do his utmost to support Lebanon with all that France's conditions and his own conditions permit. He will do all that he can. The same applies to the question of Europe, which is a very important issue to France in view of France's weight in Europe.

[Al-Din] With regard to the negotiations [with Israel], we have heard that Robert Pelletreau, assistant U.S. secretary of State for Middle Eastern affairs, has stated

that he has asked Lebanon to get its case ready but that Lebanon has been late in doing so. Is Lebanon banned from preparing its case?

[Al-Hariri] No, Lebanon is not forbidden to do so. Besides, he did not say that Lebanon did not prepare anything. He has asked us to get ready because the discussion of the issue of negotiations has come close. This does not mean that Lebanon was not ready and that it has not prepared its case. Besides, what is there between us and Israel [to discuss]? Israel must withdraw from our land. Israel says it has no ambitions either in our land or in our water. Then let its army withdraw and back up and go.

[Al-Din] Does this mean that there is no case that needs to be made ready?

[Al-Hariri] There is a case and there are other matters.

[Al-Din] What will happen to the Lahhud army after the establishment of peace?

[Al-Hariri] It is too early to discuss this matter.

[Al-Din] Have you abandoned your support for the extension of President al-Hirawi's term as president?

[Al-Hariri] (laughing) ...I am not a deputy in the parliament.

[Al-Din] But you constitute a political power on the ground and you must have a view on this matter.

[Al-Hariri] When the time comes, when the time comes....

[Al-Din] Are you for the extension or against it?

[Al-Hariri] This matter is closed for the time being.

[Al-Din] With regard to the trial of Ja'ja'. You have disbanded his forces on the ground that they were

responsible for blowing up the church, whereas the Syrian Nationalist Party had confessed to murdering Bashir al-Jumayyil and still it is participating in the government. The case of the murder of Bashir al-Jumayyil is now before the judicial council. Why was not the Syrian Nationalist Party dissolved? Or is there a policy of dealing with things with two measures?

[Al-Hariri] I have not read any confession by the Syrian Nationalist Party that it killed Bashir al-Jumayyil. If you happen to have such a confession, please send it to me. In fact, I did not know this and the case of Bashir al-Jumayyil is now before the judicial investigator. Should he obtain additional information which would help him in reaching a decision, he will not be amiss in doing so. According to the information I have, the judicial investigator has no case that he can refer to the judicial council.

[Al-Din] Has there been reconciliation between you and the Army commander, General Emile Lahhud?

[Al-Hariri] There is no quarrel between me and him. Since we assumed office, we have worked to bolster the army. We support him in all matters.

[Al-Din] What was the meaning of your visit to the Ministry of Defense?

[Al-Hariri] It is a normal thing. On Tuesday, 1 August, I shall be away. So I wished to visit the Defense Ministry first to congratulate it on Army Day and secondly to be briefed by the Army Command on the work they are doing and to express to them my views in this regard. I greatly appreciate the efforts being exerted by the Command for the restoration of cohesion within the Army, because now we have an Army that we can boast about.

Bashshar al-Asad Comments on Succession, Peace
JN3107202595 Paris AL-MUHARRIR in Arabic
31 Jul 95 p 3

[Report by Nihad al-Ghadir in Damascus]

[FBIS Translated Excerpt] When I returned to Syria this time, I had in mind three questions for which I sought specific answers. Some people ask these questions publicly, while others whisper them privately, but everybody seeks clear-cut answers. The first question is posed to the regime and its leaders by observers in and outside Syria, and by all Arabs following the peach march, hopefully and fearfully. The question is: What sort of peace are you negotiating? Is Syria honest about it? Does it reveal some things and conceal others? Finally, what is the minimum level of peace you will accept and which conditions do you reject?

The second specific question is posed to Dr. Bashshar al-Asad [second eldest son of President al-Asad], a question that has been frequently asked: Is it true that he is a candidate for the presidency and that his participation in public life is directed toward that end, or are these mere inaccurate assessments resulting from Syria's special circumstances?

The third question is posed to those who are called opponents from within, who monitor events and their developments in Syria but do not take part in the national rallying around President al-Asad, although this or that official and this or that organ is criticized. The question is: Is national unity temporary or firm, and to what extent this will contribute to creating a more open and stronger experiment? [passage omitted]

I asked Dr. Bashshar: The foreign press keeps saying that you are a candidate for the presidency and that you are preparing yourself, and others are also preparing you for that post. Is this true?

He looked at me calmly and, without showing any surprise, and choosing his words carefully, said: He who claims this does not know Syria and has not read its Constitution, which stipulates that any presidential candidate should be at least 40 years old. My duty as a citizen is to serve my homeland in every area, as any other citizens does. The fact that I am the son of the president does not relieve me of or prevent me from public service. Obviously, national action does not mean candidacy for the presidency. I cannot see any connection between national action and candidacy for the presidency. Otherwise, every person serving the homeland can aspire to presidency.

Startled by his frankness, I said: Is age an obstacle?

He said: The Constitution is sacred and covers all people.

I said: Will you allow me to be very frank? He nodded his assent.

I said: Do you intend to run for the presidency when you become 40 years old?

He said enthusiastically: It is not a question of running for the presidency or not. I am not interested in any post at all, whether at the top of the authority or far from it. What is important is to serve my homeland and fellow citizens. Do you not believe that the homeland is something bigger and that serving it is possible and a duty for everyone? However, these issues can be settled by the constitutional institutions and the general will. You may agree with the view that the Syrian people are the party that determines these issues. The issue, however, is premature. President Hafiz al-Asad is still at the peak of his activity and his political presence, and he will, with God's help, continue to serve his people and nation for many years to come. Therefore, mere talk of this issue abroad is a mistake, and may not be void of bad intentions. Talk about unfounded issues is aimed at preoccupying people with issues other than the fateful issues of the homeland.

Encouraged by his openness and frankness, I said: You visited Lebanon, and I was told that President al-Asad asked you to pay the visit. This indicates that you have taken over the Lebanese file. Is that true?

Dr. Bashshar laughed and said: I visited Lebanon at an old invitation of President al-Hirawi through his son Roy. I could not respond to the invitation at that time because of the circumstances of work, but when I had time, I paid the visit, and it was natural for me to visit the president at the Presidential Palace. Regarding my visit to Lebanese Chamber of Deputies Speaker Nabih Birri, I can say that we maintain a 10-year old friendship during which we met many times. So, there is no need for invitations. The press magnified both encounters. This is its problem. Media panting after a certain news item or an event makes what is naturally taking place in our daily life a subject of speculations.

Dr. al-Asad continued, appearing to be explaining many peripheral issues.

He said: The so-called Lebanese file does not exist here because Syrian-Lebanese relations cannot be a file. They are fateful and historic relations. Therefore, they are too big to be contained in a file or files. It is the life of a nation in two states. You may be surprised if I tell you that I have never heard in Syria about the so-called Lebanese file taken over by this or that official. When the relationship is so special like the Syrian-Lebanese

relationship, and when the people in the two states share the same aspirations and concerns, it is natural for them to bear the burdens in a spirit of partnership in life.

I said intending to continue the conversation: Dr., I know that the question will be embarrassing. Will you please tell me about the president and the father, Hafiz al-Asad?

He said: Believe me, what I know is not much more than what is already known. Ask any citizen and he will tell you as much as I know.

We then moved to other subjects on Syria's present and future, and Bashshar al-Asad talked about public issues, the Syrian political, economic, and social situation, showing awareness of what is taking place on the external and internal levels. He appeared to be loyal to al-Asad's school.

At the end of the meeting, I asked him if he would allow the publication of the interview, and he agreed. [passage omitted]

The following is the third question, which has long pre-occupied observers: How could President Hafiz al-Asad remain so bright and enjoy that large-scale national support at a time when other regimes either collapsed or eroded? Is it because of his firm position toward Israel and his determination to use peace to attain Syria's national right and security, or does the matter goes far beyond the issues of peace and land? I posed this question to those who are not with the regime.

A Syrian educated man, whom I like and whom I can describe as an opponent, said to me: There is no doubt that President al-Asad's stand on peace negotiations and his skill in running these negotiations in Syria's favor by demanding the minimum level under the current circumstance and conditions, have enabled him to win a unique support in the history of Syria. However, the issue goes far beyond that. Before Hafiz al-Asad, Syria was not yet a genuine state, a genuine homeland, or a genuine people. When al-Asad came to power, he turned it, with the skill of a leader, into a full-fledged state, homeland, and people. Syria was part of something that sought a whole to belong to but became a whole to which other parts belong. It was a homeland that sought security outside its border and with other sides but Hafiz al-Asad gave it its independent security, its stability, its self-confidence, and the pride of affiliation. It was a land on which and with which others played but he turned it into one from which we determined our fate. It was a homeland influenced by others but became a homeland influencing others. It was a society that was torn up by winds, slogans, and whims but became a coherent

society. It was a sectarian society but he turned it into a national society and a homeland of all its citizens.

Hence, Hafiz al-Asad's role goes beyond and precedes the peace issue. We can rightly say he is the founder of modern Syria.

Pleased by the conversation with an honest, educated opponent, I said: Does this mean that there is no longer an opposition? He said: No. What I told you about opposition has nothing to do with the president. Opposition is mainly against some of his organs and some of the members of his administration. At this moment of truth, I admit that the success of a ruler is measured by what he gives. If he gives more than he takes, he deserves survival. The opposite is also true. President Hafiz al-Asad gave more than he took. He took a little freedom and gave us much steadfastness and an ability to face things, as well as the homeland's safety and stability. He took a little from the city's economy and gave much countryside prosperity. He canceled sectarianism by opening the border between the sects and the homeland. He gave much more than he took. Therefore, we consider him the man of modern Syria, the builder of Syria, and the leader who most influences Syria's fate.

I said: But some people want to see the negative side of the picture. He said: Listen, my friend. Our generation has a strange political education. We are not less than potential dictators and thieves. If we fail, we resort to ideals, democracy, and cleanliness. If any one of us takes power, he will become more dictator than others. Do not listen to the talk in the cafes, including us, because they are not more than inept dreamers and failed dictators of thought or authority.

I left Damascus with many questions in my mind seeking complete answers.

Radio Hails al-Asad's Army Day Speech

JN0208070195 Damascus Syrian Arab Republic Radio Network in Arabic 1154 GMT 1 Aug 95

[Station commentary]

[FBIS Translated Text] Gentlemen: In his significant, guiding address to our heroic Armed Forces on their 50th anniversary, His Excellency President Hafiz al-Asad stressed the Syria will keep proceeding along the path it has delineated for itself and that it will not resort to bargaining or show leniency. His excellency also emphasized that Syria will adhere to the liberation of all the land and the accomplishment of a just and comprehensive peace that would bring about an end to occupation and expansionist and aggressive ambitions.

His Excellency President Hafiz al-Asad also noted that Syria is strong by its people, Army, and national unity and that our Armed Forces will always remain the impregnable bulwark of the homeland and will race for martyrdom if such a deed would serve the homeland and its goals. In this guiding, pan-Arab address, His Excellency President Hafiz al-Asad was keen on dotting the i's and refuting the claims and doubts floated by the enemies with the aim of undermining Syria and its firm positions. Syria is strong. It derives its strength from the wisdom of its leadership, the forceful national unity among its people, and the rallying of the nation's masses around it. Syria has opted for the road of steadfastness, pride, and dignity, thus embodying the nation's hopes and ambitions.

International political circles have realized that Syria cannot be dragged into bargaining and relinquishment. The Israelis have felt that Syria negotiates from a strong position, that it is never affected by changes and pressures, and that the fait accompli cannot be imposed on it. Syria adheres to the foundations of a just and comprehensive peace and the Security Council Resolutions directing the peace process — resolutions that call upon Israel to fully withdraw back to the 4 June 1967 lines.

The Israelis, as well as all concerned world powers led by the U.S. partner and sponsor, have come to know that Syria rejects partitioning realities and derogating rights. They became convinced that peace with Syria is impossible without returning the whole of the Golan and fully withdrawing from southern Lebanon.

Regarding arrangements, Syria has insisted on even-handed [muta'adilah] and equitable [mutakafi'ah] security arrangements on the two sides of the 4 June 1967 lines. Syria has rejected, under any pretext, the idea of installing a ground warning station on any part of the Syrian land because such an arrangement will violate sovereignty and perpetuate occupation even though only a single grain of soil. Syria will never be dragged into a situation which it does not want or which is rejected by its pan-Arab conscience. Israel should deal with these facts if it seeks peace with Syria and Lebanon.

The two conditions of peace are: Full withdrawal beyond the 4 June 1967 lines and equitable peace. Otherwise, there will be no peace. Israel, and the whole world, know that the demands of Syria and Lebanon are just and rightful and that they cannot be held responsible for the stumbling in the peace process. Israel is the party that insists on impossible conditions and believes that the only guarantee for its security is violating the security of Syria and Lebanon.

Syria seeks just peace that ensures the return of rights to their owners. It also seeks equitable security for all. Just peace and equitable security are the right path for the region's stability and remaining outside the whirligig of war and conflicts.

Paper Discusses Israel's Nuclear Stand

JN0108181995 *Damascus TISHRIN in Arabic*
 31 Jul 95 pp 1, 11

[Unattributed "news analysis": "Why Does Israel Object to Transfer of Technology to Arab States?"]

[FBIS Translated Text] The most accurate description of developments in the peace process which was launched in Madrid in late 1991 is what President Hafiz al-Asad said; namely, that it is a peace battle.

The use of a military term in this regard is justified. This is because a just and comprehensive peace has not been achieved yet, and because Israel's rulers fight on several political and diplomatic fronts to prevent the implementation of the resolutions of international legitimacy and to replace them by separate deals which would allow it to make gains and achieve hegemony over this or that Arab party.

Since Israel's rulers are indifferent to international resolutions and charters and tailor them to their ambitions in violation of moral and legal values, they do not hesitate to reverse facts, relying on the support of international forces which consider Israel a spoiled child to whose whims these forces should respond on various pretexts. This spoiled child knows how to blackmail these and other forces as much as it can. An example of this is Israel's refusal to sign the nuclear Non-Proliferation Treaty [NPT] on the pretext that peace has not been achieved in the region, and that Israel would join the NPT two years after peace is achieved and after Iran relinquishes its nuclear program. This is despite the fact that Iran has stressed that it has no plans to use atomic energy for nonpeaceful purposes.

Israel's rulers have managed to evade any international control of their nuclear arsenal on the pretext of the existence of Arab and regional dangers threatening their entity as long as peace has not been achieved in the region. What attracts attention more is that Israel's rulers have exploited this pretext — namely, the failure to achieve peace. They acquit themselves of any responsibility toward this peace. This is despite their rejection of the land-for-peace formula. They exert pressures on international parties to prevent this or that Arab party from using advanced technology and nuclear energy for peaceful purposes, taking into consideration that in its basic statute, the International Atomic Energy

Agency [IAEA] stresses the importance of expediting and expanding its contribution to peace, health, and prosperity for the whole world, and of securing raw material, services, and the necessary equipment and facilities to meet the needs of research in the nuclear energy field, to develop this energy, and to use it for peaceful purposes.

The question is: Why does Israel object to the transfer of nuclear energy and technology for peaceful purposes to the Arab states and to other developing countries?

The answer is very clear. It is that at a time when Israel obtains advanced technology and fills its arsenal with nuclear weapons and other weapons of mass destruction, it exerts all kinds of pressures to maintain Arab backwardness in the scientific and technological fields so that it will be easy for it to impose its political, military, nuclear, and scientific hegemony. It seeks to achieve this through what it calls the Middle East order. The base of this order are the committees of the multilateral talks which gave Israel a free hand in the region so that it can act as an axis of polarization among the region's states on the one hand, and the club of the big powers on the other.

In light of this, the dimensions of the peace battle include many scientific and cultural fields, in addition to the major factor which is called the land-for-peace formula. Israel evades the requirements of peace because occupation represents, among other things, an expansionist tendency for Israel and for its attempts to impose what it has achieved by force as a fait accompli in order to achieve a political hegemony which is based on its arms arsenal, including the nuclear weapons.

Based on this, we can understand the reasons behind Israel's intransigence and failure to respond to the requirements of the peace process, particularly the Israeli occupation forces' withdrawal to the 4 June 1967 border. We also understand why Israel refuses to sign the NPT and rejects control of its nuclear arsenal. This is because Israel's rulers still deal with the peace process based on the use of force and threats to impose their hegemonic plans. They do not deal with the peace process on the basis of a just and comprehensive peace because this foils their ambitions of turning peace into gains in territory, economy, water, politics, and hegemony over the other party.

Bangladesh

Daily Expresses Optimism About U.S. Investment

BK0208052695 Dhaka JANAKANTHA in Bengali

22 Jul 95 p 4

[Editorial: "Prospects of U.S. Investment"]

[FBIS Translated Text] U.S. Senator Edward Kennedy has urged his country's businessmen to invest in Bangladesh.

The people of Bangladesh know Senator Kennedy since the days of the war of independence. He also has visited Bangladesh. The people of Bangladesh know him and the distinctive nature of his activities. Similarly, Edward Kennedy too is aware of the aspirations of Bangladeshis, having a comprehensive idea about Bangladesh. He called upon U.S. businessmen to invest in Bangladesh at a special function organized recently by Federation of Bangladesh Chambers of Commerce and Industry [FBCCI] at Tyson's Corner in Virginia in the United States while discussing the investment climate in Bangladesh.

It needs to be mentioned here that although Bangladesh is suitable for foreign investment, not many foreign investors are coming forward to invest in this country. One of the numerous reasons for this is our failure to appropriately project the image of our country to foreigners. Additionally, political instability, widespread terror, and labor unrest are also hindering investments.

It may be mentioned here that inviting investors without meeting the prerequisites for foreign investment does not help much in securing the objective. We do not lack proof in this regard. Observers feel that investors are not adequately responding to the assurances and invitations made by the prime minister herself only because of the turbulent political atmosphere in the country, although Bangladesh is very much a suitable place for investment.

However, it is also true that only political stability is not enough. The country's image, as well as the government's commitment and the business ethics of local entrepreneurs and businessmen are also vital for attracting foreign investment.

It should be remembered in this context that in the past, the business ethics of local entrepreneurs and the country's image had not been important factors in the international market. Foreigners have been invited to invest in this country only at the governmental level, though at the nongovernmental level, a businessmen's delegation had recently visited several countries to attract some foreign investors. Although the response was quite positive, it does not deserve any mention here. A businessmen's delegation led by a notable

industrialist of Bangladesh, who is the FBCCI president, is currently visiting the United States. The fact that the visit of the delegation has succeeded in greatly attracting U.S. businessmen and investors has been reflected in the statement by a prominent political personality like Senator Kennedy.

Highlighting his country's image through the above-mentioned function, the FBCCI president drew the attention of U.S. businessmen and investors to the success of Bangladesh's economic reforms and liberal steps.

It goes without saying that substantial investments are being made in our neighboring countries of India, Sri Lanka, Pakistan, and Burma although political discontent in Bangladesh is less than those countries. It is only the lack of our enterprise, bureaucracy, and complicated banking system for which foreign investors are leaving disgusted from this country.

It may be remembered in this context that realities in Bangladesh today are different from the past. Pursuing the path of a free market economy and the reforms program, Bangladesh now does not want aid but trading preference and it deserves it too. Observers feel Bangladesh is in a position to attract foreign investors due to its liberal policy and change in export outlook. It may be hoped that the current visit to the United States by the Bangladeshi businessmen's delegation led by the FBCCI president and its efforts to attract investors will yield positive results, as senior U.S. Senator Kennedy himself is also a prominent political and business figure. His terming Bangladesh as a good place for investors has undoubtedly boosted Bangladesh's image. Moreover, the Bangladeshi delegation's visit also has enhanced the importance of the topic of investment in Bangladesh.

Needless to say that Bangladesh enjoys good relations with the United States. They have long-standing trade ties as well. Therefore, there are considerable prospects for U.S. investment in Bangladesh. If Senator Kennedy's call results in U.S. investment in Bangladesh, then it will undoubtedly have a favorable impact on Bangladesh's development.

Official Urges Support for Bosnian Government

BK3007160995 Dhaka Radio Bangladesh Network in Bengali 1500 GMT 30 Jul 95

[FBIS Translated Text] Bangladesh has called upon all countries to take urgent measures to support the Bosnian Government in the face of Serb aggression. Foreign Secretary Farooq Sobhan, talking to newsmen in Dhaka today, said that Bangladesh has extended its

full support to the stand taken by the Contact Group of the Organization of the Islamic Conference [OIC] on the Bosnian issue. The OIC has said that the arms embargo imposed against the Bosnian Government is no longer valid.

The foreign secretary gave a detailed account of the overall situation in Bosnia, including the condition of Bangladeshi peacekeepers in the Bihac enclave. He said that despite the continuation of fighting around the enclave, the Bangladeshi peacekeepers are safe and are being appreciated for performing their duties. Sobhan said that Bangladesh has made a strong plea to the United Nations, NATO, and the countries which have sent peacekeepers to empower the UN Protection Force [UNPROFOR] to ensure the security of all civilians in the UN-designated safe areas. He called for sending reinforcements for the peacekeepers deployed on the ground in Bosnia and added that Bangladesh is ready to send more troops to work for the UNPROFOR to enable the UN to make a firm decision regarding the protection of the safe areas.

Decision Made To Join Indian Ocean Rim Group

BK2907084995 Dhaka THE FINANCIAL EXPRESS in English 25 Jul 95 p 8

[FBIS Transcribed Text] Bangladesh is learnt to have taken decision to become member of the broadbased economic bloc, Indian Ocean Rim [IOR], now in the making.

The government has already streamlined its diplomatic move to make contribution to turning the IOR into a viable economic zone for the benefit of the countries in the region, an official source said Monday [24 July], reports UNB.

Seven core countries of the planned block are scheduled to meet in Port Louis, the capital of Mauritius, sometime in August to discuss its structure and organisational matters.

The core countries — Mauritius, India, South Africa, Oman, Australia, Kenya and Singapore — will hold another meeting in New Delhi in December to discuss ways of building a broadbased economic cooperation among the nations in the region ranging from Singapore to South Africa.

The idea of IOR was mooted during South African Foreign Minister's visit to India in 1993.

The core countries first met in Port Louis in March this year in a bid to give a shape to the idea.

Australia hosted a larger meeting of the countries in the region in early June. Some 22 countries, including

Bangladesh, participated the meeting in Perth, out of the 28 countries invited to it.

Salman F. Rahman, President of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), who represented Bangladesh at the Perth meet, in his deliberation underscored the need for developing the large economic zone.

Bangladesh has already suggested keeping membership open for 48 countries in this part of the globe.

Economic Commission Meeting With Nepal Begins

BK3007105595 Dhaka Radio Bangladesh Network in Bengali 1200 GMT 29 Jul 95

[FBIS Translated Text] Finance Minister M. Saifur Rahman has said that there exists great scope for cooperation between Bangladesh and Nepal in the field of water resources management for the mutual benefit of the two countries. He said this while addressing the ninth meeting of the Bangladesh-Nepal Joint Economic Commission. Saifur Rahman said that the prospects of production of hydroelectricity in Nepal is greater than that in the United States. He added that this project can meet the demand for power in the SAARC [South Asian Association for Regional Cooperation] countries of the region. The finance minister referred to the proposals given by Bangladesh for some multipurpose projects with a view to maximum utilization of the water resources of the region and diversifying its use. He said Bangladesh shares common rivers with Nepal and expressed the sincere hope that Nepal will not deprive Bangladesh of the legitimate facilities for its projects and that it will not enter into any bilateral agreement with regard to the implementation of projects relating to water resource management.

The Nepalese finance minister and leader of the Nepalese delegation, Bharat Mohan Adhikari, expressed similar sentiments and gave assurances that Nepal will make all efforts to help Bangladesh overcome its problems relating to water resource management. Mr. Adhikari expressed concern over the flood problem in Bangladesh and said his country will provide assistance to reduce the miseries caused by floods and in making flood forecasts. He said as this meeting of the Joint Economic Commission is the first since the Nepal Communist Party government took over power, the Nepalese delegation is giving much importance it and added that this meeting also has special significance. Mr. Adhikari described Bangladesh as a close friend of Nepal and expressed the hope that there will be greater cooperation between the two countries for their mutual welfare.

The visiting Nepalese minister for finance, Bharat Mohan Adhikari, called on President Abdur Rahman Biswas at the Bangabhaban [President House] in Dhaka today. Welcoming the Nepalese minister, the president said that the existing excellent ties between the two countries will be further strengthened in future. He said that there exists vast opportunities for expanding economic cooperation for the mutual benefit of the two countries. President Biswas emphasized the need to export nontraditional products from Bangladesh to Nepal. He said that trade between the two countries will increase considerably following the start of SAPTA [South Asian Preferential Trading Arrangement] operations. He expressed the hope that this ninth meeting of the Bangladesh-Nepal Joint Economic Commission will be successful and that it will take measures for greater economic cooperation between the two countries.

Commission Meeting Concludes

BK0108053495 Dhaka Radio Bangladesh Network in Bengali 1500 GMT 31 Jul 95

[FBIS Translated Text] The ninth meeting of the Bangladesh-Nepal Joint Economic Commission ended with the signing of an agreed minutes in Dhaka today. Finance Minister M. Saifur Rahman and Bharat Mohan Adhikari, Nepalese finance and supplies minister, signed the agreed minutes.

Addressing a news briefing later, the two ministers said the meeting reviewed the whole gamut of Bangladesh-Nepal bilateral relations, including economic cooperation, trade, industry, management of water resources, agriculture, education and culture, banking, tourism, civil aviation, and telecommunications. The two sides discussed new proposals and made decisions to expand their bilateral ties further. They agreed to conduct a feasibility study on setting up a cement clinker factory in the private sector as early as possible utilizing Nepal's limestone reserves. They also discussed the setting up of joint ventures in the garment and pharmaceutical sectors. The two sides also discussed the improvement of existing transportation routes and the possibility of opening new ones. It will enable Nepal to utilize the facilities of the Mangla and Chittagong ports and help significantly increase the volume of trade between the two countries. Bangladesh especially stressed the need for the countries to have a common basin to utilize their vast water resources through cooperative efforts.

Bharat Mohan Adhikari reaffirmed his country's sincere support for Bangladesh in developing the water resources system and mitigating suffering caused by recurring floods. Replying to a question on constructing reservoirs in upstream regions for multiple and optimal use of water resources in the region, the Nepalese min-

ister said his country's position in this regard is very clear. He said Kathmandu wants to see regional countries like Bangladesh, India, and Nepal benefit from such reservoirs.

Finance Minister Saifur Rahman spoke of the immense potential of Nepal's vast water resources and proposed that high-level political decisions be made by the countries of the region on the use of these resources in the common interests of their people.

Our correspondent reports that the three-day session was marked by an atmosphere of sincerity, friendship, and understanding.

India

Malaysian Official Pays Visit With Delegation

Discusses Investments With Rao

BK2907133295 Delhi Doordarshan Television Network in English 1430 GMT 28 Jul 95

[FBIS Transcribed Text] The prime minister has expressed the hope that business houses of Malaysia would invest in developing infrastructural projects in India. He was speaking to the Malaysian minister for international trade, Ms. Datuk Sri Rafidah Aziz, who called on Mr. Narasimha Rao in New Delhi this evening. The minister informed Mr. Narasimha Rao that she had noticed signs of interest in making mutual investments among businessmen of both countries. Ms. Datuk Sri Rafidah Aziz is heading a 30-member business delegation.

During a meeting with the union industry minister, Mr. K. Karunakaran, the Malaysian delegation showed keen interest in investing in the infrastructure sector. The main areas identified for investment were food processing, engineering goods industry, and transport equipment industry. Mr. Karunakaran briefed the Malaysian minister on the present industrial scenario in the country.

The Malaysian delegation also called on the finance minister, Dr. Manmohan Singh. They exchanged views on economic reforms in their respective countries. They also agreed to explore further economic linkage between the two countries in various fields.

[Hong Kong AFP in English at 1154 GMT on 28 July adds: "A senior Malaysian official said here Friday [28 July] that it would be premature to admit India into the Association of Southeast Asian Nations and urged New Delhi to market itself more aggressively in the region. 'I do not know whether it is the right time to consider India's candidature for ASEAN,' Minister of International Trade and Industry Rafidah Aziz told AFP,

noting that Vietnam had just joined the now seven-member association. She also said that a visit to Kuala Lumpur by Indian Prime Minister P.V. Narasimha Rao, beginning August 2, would go a long way to forging closer trade ties between the two countries. 'India is not marketed well in Malaysia. Trade delegations visit Malaysia often but the prime minister's visit will give a strong signal that India is seriously interested in Malaysia,' she said in an interview."

Signs Agreement on Economic Ties

*BK3007071195 Delhi All India Radio Network
in English 0245 GMT 29 Jul 95*

[FBIS Transcribed Text] India and Malaysia have agreed to explore further economic linkages between the two countries. The agreement came during the finance minister's talks with the visiting Malaysian minister for trade and industry, Mrs. Rafidah Aziz, in New Delhi yesterday. Ms. Aziz told Dr. Manmohan Singh about the tremendous interest among Malaysian investors to set up joint ventures and other business activities in India. Both the ministers noted with satisfaction that a bilateral investment protection agreement have been initiated and would be signed shortly. This would provide a stable framework to business activities and encourage two-way investments.

The Malaysian minister also called on the prime minister. Mr. Narasimha Rao said India is interested in development of infrastructure projects. Ms. Aziz expressed the hope that the prime minister's forthcoming visit to Malaysia would be fruitful.

Expects Bilateral Trade To Grow

*BK3007122095 Kuala Lumpur THE STAR in English
29 Jul 95 p 2*

[Report by Lim Hock Chye]

[FBIS Transcribed Text] New Delhi — The current strong bilateral economic cooperation between India and Malaysia will continue to grow in strength with the former's trade policy becoming more transparent and liberal, Minister of International Trade and Industry Datuk Sri Rafidah Aziz said yesterday.

Speaking to some 300 top businessmen in a seminar here, she said India was Malaysia's largest trading partner in South Asia. And among South countries, excluding ASEAN, India was Malaysia's second largest trading partner after China.

The minister is leading a six-day investment and trade mission to the capital here and Bombay. About 40 businessmen from various industries are participating in the mission.

The minister said the balance of trade in 1994 was in Malaysia's favour. Malaysia's trade surplus with India amounted to U.S. \$115 million (RM [Malaysian ringgit] 276 million) last year.

"For the first six months of this year, there has been tremendous upsurge in the investment from India," she said.

Six projects were approved with Indian participation, where the total proposed capital investment was U.S. \$189 million (RM453 million).

For the first six months of 1994, there was only one project approved with Indian participation, with a proposed investment of U.S. \$1.32 million (RM3.17 million).

President of the Confederation of Indian Industry (CII) Rajive Kaul said he was impressed with Malaysia's economic growth and called upon Indian businessmen to "seriously look at Malaysia for business opportunities." The one-day seminar was organised by the CII.

Kaul said the CII intends to seek further collaboration with Malaysian businessmen as India "is expected to experience robust growth."

"About eight million jobs will be created in India this year as against seven million last year," he said.

Indian Prime Minister P.V. Narasimha Rao is expected to lead a trade delegation to Malaysia next week. Two agreements on road and port projects are expected to be signed during the visit.

A guest speaker Dr. Parvinder Singh described the Malaysian Government as "very pro-business establishment and there are a lot of areas for joint ventures."

He was relating his company's experience, Ranbaxi. The pharmaceutical company is based in Kulim.

"I am upbeat about Malaysia's business environment. Both countries can learn a lot from each other," he said.

Spokesman Comments on Economic Ties With Malaysia

*BK0108095595 Delhi All India Radio Network
in English 0245 GMT 1 Aug 95*

[FBIS Transcribed Text] The Indo-Malaysian economic relations are likely to get a boost with 14 more joint ventures coming up in the near future. An External Affairs Ministry spokesman told newsmen in New Delhi that 18 joint ventures are already running successfully in Malaysia. These joint ventures are in the areas of palm oil refining, pharmaceuticals, brass products, and yarn. The spokesman said that bilateral trade has increased

from \$493 in 1993-94 to \$771 million in 1994-95. India has approved Malaysian investment to the tune of 1,100 million rupees in 15 projects between January 1991 and December 1994.

AIR correspondent Ashoke Narain reports that the forthcoming four-day visit of the prime minister to Malaysia from tomorrow will further strengthen the cooperation between the two countries. The visit is also aimed at continuing the ongoing political dialogue on regional and global issues. A high-level trade delegation is accompanying the prime minister and some MoU's [memorandums of understanding] on infrastructure development are likely to be signed during the visit.

Rao Departs on Official Visit to Malaysia

BK0208092195 Delhi All India Radio Network in English 0830 GMT 2 Aug 95

[FBIS Transcribed Text] The prime minister, Mr. Narasimha Rao, left New Delhi for Kuala Lumpur a short while ago on a four-day official visit to Malaysia. He was seen off at the airport by cabinet colleagues and senior officials. The minister of state for surface transport, Mr. Jagdish Tytler; the minister of state for external affairs, Mr. R.L. Bhatia; and the minister of state in the prime minister's office, Mr. Bhuvanesh Chaturvedi, and a high-level business delegation are accompanying Mr. Narasimha Rao.

Our special correspondent, A. Karuppaswamy, reports from Kuala Lumpur that the visit has added importance since the Asia-Pacific region is emerging as a fastest growing market, with Europe and the United States trying to take advantage of it. The Malaysian prime minister, Dr. Mahathir Mohamed, has said Mr. Narasimha Rao's visit will give a boost to the friendly relations between the two countries. Several Malaysian newspapers, both English and vernacular, have come out with special features and photographs on the visit.

Commentary Previews Rao's Visit

BK0208101195 Delhi All India Radio Network in English 0245 GMT 2 Aug 95

[Commentary by Ashoke Narain]

[FBIS Transcribed Text] The prime minister is leaving for Kuala Lumpur today on a four-day official visit to Malaysia. The visit seeks to strengthen bilateral relations, specially in the economic field and to continue the political dialogue on regional and global issues. Relations between India and Malaysia have been traditionally very cordial. The two countries have cooperated on a number of international issues like apartheid, Indian Ocean as a zone of peace, South-South cooperation, and in economic fields as members of the United Nations,

the Nonaligned Movement, the Commonwealth, G-77, and the G-15.

India seeks closer cooperation with the neighboring Southeast Asian countries in view of their emerging economies. Mr. Narasimha Rao had earlier visited Indonesia in 1992 and Thailand in 1993, and Singapore and Vietnam last year. Malaysia is an important member of the Association of Southeast Asian Nations, ASEAN, besides being an important member of the Asia-Pacific cooperation group, and the Organization of the Islamic Conference, OIC. Over the years, ASEAN has emerged as a bloc and India is eager to have links with it in one form or another because of the vast potential offered by the markets of the member countries.

India's policy of economic liberalization has provided new opportunities for economic cooperation between the two countries. Eighteen joint Indian ventures are running successfully in Malaysia and 14 more are in the offing. Some leading Indian companies have taken up infrastructural projects in Malaysia. The Malaysian minister for international trade and industry, Ms. Rafidah Aziz, during her visit to India invited Indian businessmen to invest in that country and establish joint ventures. This is an indication of the goodwill enjoyed by Indian companies and businessmen in Malaysia.

During the last four years, the volume of trade between India and Malaysia have increased considerably. In 1994-95, it was around \$770 million which is about \$280 million more than that of the previous year. Likewise, the Malaysian investment in India has also picked up. India approved Malaysian investment of 1,100 million rupees during the last four years. Malaysian companies have also shown interest in investing in oil, plantations, and the rural sector in India.

The prime minister is taking along a high-level business delegation with him. He will also meet Malaysian businessmen there. Some memoranda of understanding are expected to be signed during the visit.

Prime Minister Rao Announces Welfare Package

BK3107123995 Delhi Doordarshan Television Network in English 1445 GMT 30 Jul 95

[Address to the nation by Prime Minister Narasimha Rao; place and date not given — recorded]

[FBIS Transcribed Text] Friends: As you are aware, we have been implementing a number of poverty alleviation programs in this country from time to time. In fact, ever since Indira Gandhi as prime minister started the program of poverty eradication, we have had several kinds of programs from time to time, from year to year,

from plan to plan. They were continued after her when Rajiv Gandhi became prime minister.

Today, for the last few years, we have not only continued these programs fully, but we have added a few programs which are of particular significance in the entire gamut of poverty alleviation. We know most of these programs were meant for the development of the villages, at the same time affording work for the people — those who were prepared to work — wage employment plus benefits like education, benefits like social welfare, etc. to those who deserved these benefits.

Now this year — for the first time, I might say — we have taken up a program which is qualitatively different from the programs which we have undertaken in the past. For the first time, the central government has taken upon itself the responsibility to implement a national social assistance scheme. This was not done by the center so far. Schemes like old age pensions, etc., they were started in many states. For a number of years they were continued in some states. Probably they are still continuing. But in several states they were discontinued for various reasons. The central government for the first time this year has undertaken this responsibility for the whole country. The finance minister in his budget speech mentioned about these programs briefly. Meanwhile, in the last two or three months all the details of these programs have been worked out and we are going to start implementing them from the Independence Day, 15 August 1995.

I will now briefly describe to you some of the salient features of these programs.

The first, as I said, is national social assistance scheme which have got three subschemes. One is the old age pension scheme. This is available to all persons below the poverty line who are destitute and who are 65 years of age or over 65 years of age. This will be at the rate of 75 rupees per month per head and this will be available to the categories which I have just described.

The second scheme, which is for the families — not individual but families. Suppose it is a family which is below poverty line. There is one earning member and that earning member dies. In normal circumstances the whole family becomes helpless and they have to face a lot of difficulty, as we know. In such a case, since the family itself is below poverty line, we give them rupees 5,000 in the case of a natural death and rupees 10,000 in the case of a death by accident of the earning member. This is just to tide over the crisis which the family would face in the case of his death and this is available to the family as such.

Third is again for families below the poverty line. We have deliveries taking place, but the woman who has to undergo delivery, she has nothing to fall back upon. Her wages she cannot earn during those days. She will need some medical assistance. She will need some attention for which nothing is available in the family. So, such a needy lady for the first two births will get 300 rupees per delivery, both for antenatal and postnatal care.

These are the three schemes which are personally targeted to people who deserve assistance and these schemes will be run by the panchayats [rural local bodies]. Now that the panchayats are elected — have been elected already — and they are working in many of the states, I think the panchayats and the nagar palikas [urban municipal corporations] will take the responsibility of administering these schemes and it will be supervised — guidelines from time to time will be given — by a committee at the district level consisting of the collector, some officials, some public men, some representatives of NGO's, nongovernmental organizations, and the members of Parliament who hailed from the district. This is a fairly representative committee which will give guidelines from time to time and see that the scheme is properly implemented at the village level.

The other scheme, which again is going to start from 15 August, is about the children; the school-going children. We know how education has expanded over the years, over the decades, after independence. But in spite of all this expansion, we also know that there were large dropout of children from the primary schools. Even if there are teachers, even if there are rooms and there are other facilities available, there is something which is coming in the way of full enrollment and full retention. Even for a year or two, if the child goes to school, then, even then — somehow, for some reason, particularly connected with the poverty of the parents — the child is withdrawn from the school. This has been a chronic phenomenon and many state governments have tried to tackle this by way of several concessions being given to the children like free books, dresses, etc. But even then the phenomenon remains serious, although there has been a considerable improvement.

Now midday meal scheme was one of those concessions, one of those incentives that the state governments had started as long ago as 30 years back or 25 years back. But it so happened that many of the state governments for various reasons had to give the scheme up and today it is being implemented only in a few states. One of the reasons why it could not be continued is that in those days our foodgrains position was not satisfactory.

In fact, we used to get some materials, some eatables, from PL 480 [U.S. assistance program] funds and so on. It was a (7bit) regrettable that we had to depend on other countries in order to feed our children. We felt bad about it, but now fortunately we are in a position to say that we do not have to look to anyone outside the country for feeding our children, and if we start our midday meal program now — as we're doing from 15 August — at least in one respect we do not have to bother, and that is the availability of foodgrains. Foodgrains will be made available free from the nearest FCI [Food Corporation of India] godown [warehouse]. We are also paying, the central government is also paying, for carrying the foodgrains to the village at the average rate of rupees 25 per quintal [100 kg] so that even on that score there may not be any difficulty. Once the grain reaches the village, we have made it a little flexible. There was a time when it was insisted that someone should cook the food and cooked food should be made available to the children. Now that may or may not be possible in all cases.

Eventually, the idea is that a cooked meal should be given to the children every day. But meanwhile, we have decided to keep it flexible. If the panchayat or the mahila mandal [women's organization] in the village or the lady members of the panchayat take it up themselves, that will be ideal. We would like to put them in charge of this. If there are some ladies available or some persons available who are prepared to cook the food — take the responsibility of cooking it every day and serving it to the children — they will be paid, because from the JRY [Jawahar Rozgar Yojana employment scheme] funds they can be paid wages and those wages will be good wages. They will be paid about 600 to 700 rupees a month in the village, which means that they will not be really looking for any other source in order to sustain them. So they can be whole timers in this program of cooking the meals.

If this is not possible, and if the panchayat thinks and the authorities think that immediately all this is not possible from 15 August, we have made it flexible and we have said that for every child, per month, 3 kilos of rice or wheat will be made available to the parents so that by time we are able to make all the arrangements for cooking the food or any other alternative arrangements, the foodgrains are made available to the parents so that in the family the child gets better food. This is subject to only one small condition — that the child should attend school for certain number of days, maybe depending on how many days are the working days, how many are holidays in the month. There may be two or three months when there will be no school. So depending on those things, a particular number of days he will

have to attend and he will not relapse into illiteracy if he attends the school, he will learn something and his nutrition position also will improve, which is a great necessity in this country.

So it is going to serve many purposes, and that is why we have taken up this program. Now all these programs are going to cost more than 1,500 crores per year. This year and maybe in the coming years they will cost more, but that is only by the way. What is important is that for the first time this program has been taken up by the central government. It will be continued and all the necessary arrangements and provisions have been made and will be made on a continued basis. There is no question of stopping it at any time. Now these programs, when they are being implemented, we would like comments to be coming from those who are beneficiaries. They can come from those who are working these schemes; they can come from any quarter, and if there is any improvement needed to be made it will be made.

I forgot to tell you one thing — that in the case of women, while we are talking about the old age pension scheme, the women who are entitled to the old age pension will be able to take advantage of the Mahila Samridhi Yojana [Women's Development Scheme] which we started two years ago, in which they are already taking part. They are participating in a big way. It has given lot of enthusiasm to the women everywhere, particularly poor women. And since that woman would be getting 75 rupees a month — that is, 900 rupees a year — she would be very willing and it will be easy for her to put 300 rupees in her post office account under the Mahila Samridhi Yojana.

So those two schemes will be linked and the payment will be made to the beneficiaries not by any official. They would not have to go to any office. They would not have to knock at any doors. The payment will be either by money order or by crediting the amount to his bank account if there is a bank and there is an account in the name of this person, or in post office account if there is a post office and there is an account in that post office in the name of this person. So this scheme also encourages people to open accounts in the post office in their names so that there will be no pilferage of any kind, no fraud of any kind, in getting this money paid to them. In the payment process, things will be much easier if they have their accounts. Or in the absence of these accounts, money orders will be sent in their names. So it is something like a foolproof arrangement. There will be no leakage anywhere in between and the beneficiary will get the money straight away every month. This is what I would like to tell you.

Then there is the fourth scheme whose details are being worked out — I think in the next few days the details will be ready — that is a group insurance scheme, which is for the first time being made available to those below the poverty line. They will not be able to otherwise pay the premiums. Since it is a group insurance, now it will not be individually necessary. But actually the premium that he pays is hardly anything to mention. It comes to about three rupees a month for which, in the case of death, the family gets 5,000 rupees. Now this is quite an attractive proposal from any point of view. The details are being worked out. We have to find out which is the unit, whether it is the village being taken as the unit, or the taluka [revenue district] being taken as the unit, or the district has been taken as the unit. The LIC [Life Insurance Corporation of India] is working out the details, and after the details come this scheme also, I am sure, will be introduced with effect from 15 August.

These are the important schemes which we are taking up this year, and I thought I would take you into confidence and explain these things to you. Thank you very much. Jai Hind [Hail India]!

Iran

Reportage on Demonstrations Over Bosnian Situation

Crowd Chants 'Forward to Bosnia'

LD0108115595 *Tehran Voice of the Islamic Republic of Iran First Program Network in Persian*
0930 GMT 1 Aug 95

[FBIS Translated Excerpt] Tehran University students have staged a sit-in outside the UN office in Tehran in protest the crimes being committed by the Serbs in Bosnia and the silence of international organizations in the face of these crimes. Many of the young people among the protesters are wearing headbands bearing the slogans "God is Great" and "Oh Mahdi [reference to the 12th Shiite Imam]," which bring back memories of the time of sacred defense [Iran/Iraq war], in order to indicate their willingness to be sent to Bosnia to fight the criminal Serbs.

They chanted slogans such as "Forward to Bosnia, for the sake of Islam," "UN secretary general: Either defend the victims or resign," "West supports criminal Serbs," and "UN condones criminal Serbs." They also prepared a statement to hand over to the UN office in which they state that what is being done to Muslim people by the Serbs in Bosnia and in the heart of Europe is painful; but even more painful is the deadly silence or even the complicity of the so-called civilized West and the

international community with the criminal Serbs, who have committed crimes that are almost unprecedented in the history of humanity.

The statement stresses: Silence in the face of these crimes is shameful and treacherous. We Muslim students of Iran consider the indifference of the international community to the genocide of Muslims to be indefensible and intolerable and, declaring our support for that oppressed nation, we call on the international community to stop the cruelty and injustice against the Muslim nation of Bosnia.

The student sit-in outside the UN office in Tehran will continue until tomorrow, when they will join the rallies in support of the wronged Bosnian nation. [passage omitted]

The report by IRNA states that as of noon today, the officials at the UN office were refusing to receive representatives of the students staging the sit-in. According to the students' spokesman, a great deal of effort has been made to hold a meeting with the representative of the United Nations in Tehran and to convey to him the protest of the Iranian nation against that organization's silence in the face of the Serbs' crimes. However, the people inside the UN office are saying that there are no officials in the building.

UK, U.S. Called 'Accomplices'

LD0208131295 *Tehran IRIB Television First Program Network in Persian* 0930 GMT 2 Aug 95

[FBIS Translated Excerpt] In protest to the Serbs' crimes against the innocent people of Bosnia-Herzegovina, and the silence of the United Nations and other circles, the advocates of human rights, and in response to an invitation by the representative of Vali-e Faqih [the supreme jurisconsult] in the affairs of Bosnia-Herzegovina, the revolutionary Muslim people of Tehran, simultaneously with the people throughout the country, gathered outside the UN office in Tehran; and expressing sympathy with the suffering Bosnian men, women, and children, condemned the genocide in Bosnia. [passage omitted] Here is a report by our correspondent:

[Begin unidentified correspondent recording] Greetings to the listeners of Iranian TV's midday news. I am reporting from outside the UN office in Tehran. At today's protest rally by the people of Tehran, Ayatollah Ahmad Jannati, secretary of the coordination council of Islamic publicity and representative of the Vali-e Faqih in Bosnian affairs, described the silence shown by the United Nations and international community as the main reason for the continuation of the Serbs' crimes in Bosnia. Referring to the fact that the issue of Bosnia

has turned into one of the principle problems of the Islamic world, he said: The people of the world will not be fobbed off by the vain decisions of the international community. As their actions so far have been in the interest of the sinister aims of the world powers and against the interests of the nations. [passage omitted] [end recording]

At the end of the solidarity rallies with the innocent people of Bosnia-Herzegovina, a resolution consisting of 13 articles were read out. It was approved by the demonstrators by chanting "God is great."

The resolution reads in part: The Serbs relentless aggressions against the defenseless civilians in the so-called civilized Europe is the manifestation of the fact that in the Western powers' propaganda the defense of human rights is nothing but a mirage. The camps of the world arrogance, headed by the United States, think, in their aims and policies, more than anything else, about hostility with Muslims and plundering of their resources and wealth. This has been mentioned many times in the instructions given by the late Imam [Khomeyni] and the great leader [Khamene'i].

We, as the nation who is under the command of the guardian of the cause of the world Muslims, consider the defense of our Muslim brothers and sisters in Bosnia-Herzegovina as a divine and holy duty and will not spare any efforts in this direction.

Stressing the continuation of the Islamic Republic of Iran's assistance to the innocent people of Bosnia, the demonstrators condemned the policies of the UN Security Council concerning the Serbs' crimes. They demanded the resignation of the UN secretary general from his post.

The resolution mentions the Western countries and in particular, Britain and the United States, as the accomplices to Serbs' crimes against the Muslims, and demands from countries of a similar religion and of the same ethnic origin to review their policies on supporting the criminal Serbs.

The demonstrators commended the recent decision taken by the member states of the Islamic Conference Organization on ignoring the arms embargo against Bosnia-Herzegovina and asked the authorities of Iran and other Islamic Countries to mobilize all their resources in defense of the Muslim nation of Bosnia-Herzegovina.

'Resolution' Calls For Defense Corps

LD0208124295 Tehran Voice of the Islamic Republic of Iran First Program Network in Persian
0930 GMT 2 Aug 95

[FBIS Translated Text] Today's demonstrators in Tehran issued a resolution. In part, the resolution stresses that the tragedy of the massacre of Muslims in Bosnia will have no other outcome but to bring about the unquestioning sovereignty of the culture of cruelty and the law of the jungle, adding: The crimes being committed by the Serbs on the doorstep of so-called civilized Europe is a manifestation of the fact that the defense of human rights — according to the publicity of Western powers — is nothing more than a deceptive mirage.

Also in the resolution, it has been stressed that Iranian Muslims will continue to help the wronged Muslims of Bosnia and the UN Security Council's policy of procrastination in the face of Serbian crimes has been condemned.

The demonstrators in Tehran, in their resolution, praised the recent decision made by the member countries of the Islamic Conference Organization to disregard the arms embargo on Bosnia and called on Islamic countries to mobilize all their resources, toward confronting the crimes of the Serbs, by forming a Bosnia defense corps.

Center Set Up To Aid Bosnian Families, Orphans

LD0108125995 Tehran IRNA in English
1226 GMT 1 Aug 95

[FBIS Transcribed Text] Tehran, Aug. 1, IRNA — Iran's welfare organization has formed a headquarters to support war-affected Bosnian families and orphans.

The public relations department of the organization in a statement issued here Tuesday [1 August], condemned the criminal Serbs' brutal aggressions and called on Iranian Muslim families to contribute to these humanitarian measures.

Moreover, the Iranian organization announced it has set up a center for keeping Bosnian orphans and helping Bosnian families.

Bosnian Envoy Conveys Appreciation for Support

LD0208094595 Tehran IRNA in English
0900 GMT 2 Aug 95

[FBIS Transcribed Text] Tehran, August 2, IRNA — A message of appreciation by Bosnian ambassador to Iran Omar Bahman was read to the demonstrators who gathered in front of the U.N. office here Wednesday [2

August] in support of Bosnian Muslims and in protest to Serb crimes.

The message was read by one of the ulema of the Islamic Propagation Organization (IPO).

The message read that the rally held by the Iranians today and the sit-in staged by university students in front of the U.N. office since Tuesday indicated to the sympathy that Iranians have for the oppressed people of Bosnia-Herzegovina.

The message further stressed that Wednesday demonstration by the Iranian nation would further encourage Bosnian combatants, adding that Bosnian people would not feel alone.

It criticized the West and international community for remaining silent vis-a-vis Serb crimes, adding that international circles by imposing arms sanction against Bosnia, were depriving Bosnians of the right to defend themselves.

The Bosnian ambassador on behalf of the oppressed people of Bosnia and his government, appreciated the nation and the government of the Islamic Republic of Iran for not sparing any effort to help the oppressed Bosnians.

Daily Views OIC Stand on Bosnia Arms Embargo
NC3107090695 *Tehran ABRAR in Persian* 25 Jul 95
p 12

[Commentary by A. Abolfath: "Lifting the Arms Embargo on the Bosnian Muslims: From Decision to Action"]

[FBIS Translated Text] The Organization of Islamic the Conference [OIC] Contact Group's ministers met on 21 July and pointed out the need to lift the arms embargo on the Bosnian Muslims and to send arms to Bosnia-Herzegovina. It is important that the OIC adopted this position; at the London conference, the 16 Western countries were unable to reach an agreement on military confrontation against the Serbs. If the Islamic countries' stand is decisive and harmonious, it should tip the balance of the unjust war in Bosnia-Herzegovina toward the Muslims.

However, the leaders of the Islamic countries must consider the complicated conditions in Bosnia-Herzegovina. They should recognize that adopting a decision at a conference, far from the war, is one thing, and implementing it may be another. Regarding this, several points should be considered. They are:

1. The areas controlled by the Bosnian Muslims are inside the areas controlled by the Serbs and the Croats. Thus, the only way to reach the Muslims is by air from

Sarajevo and Tuzla Airports or through Croat-controlled territory. To send arms to the Bosnian Government via Zagreb, it is necessary to expand relations between the Islamic countries and Croatia, who must consent to this. For several reasons, the open transport of arms by the Islamic countries by air will not be possible in the future.

2. Logistics must be considered before extensive effort is taken by the Islamic countries to send arms. Light arms have little affect on military balance and sending heavy weapons requires air and sea transport through Serb territory. Tanks, APC's, and heavy vehicles must be delivered to the Muslim combatants by helicopter, and this requires coordination and commitment among the Islamic countries. We should not forget that the secret behind the speedy victory of the Western alliance against Iraq during the Persian Gulf war was the strong procurement and logistical capability of the allies in the region and the way the military forces were deployed.

3. In addition to arms, the Islamic countries must send personnel to train the Bosnian combatants. Not only are the Bosnian Muslims inexperienced in complicated war tactics, they cannot use Western weapons. Sending tanks, missile launchers, etc. to the Muslims also calls for sending trainers, and many trainers there may lead to unwanted conflict with the Serbs. These countries should decide beforehand what to do if this happens, since any retreat or hesitation at that stage will inflict a heavy and irreparable blow on the Bosnian Muslims.

4. However, the most important issue is how to convince the Western governments, and namely the United Nations and NATO, to allow open, official arms deliveries by the Islamic countries. Unfortunately, this will be the determining factor to the Islamic countries' success. This is because the Islamic countries' efforts will face difficulties without Western logistics. Currently, Sarajevo and Tuzla Airports are in the hands of the United Nations. Relief convoys to Bosnian cities are run by UN forces. Therefore, if the UN and, more precisely, Europe and America do not allow the Islamic countries to use their services, the world of Islam must mobilize greater costly, time-consuming networks. But, if the Islamic countries are firm in their decision, they can use tools such as oil or public opinion to force the West to lift the arms embargo on the Bosnian Government; and, this depends on the strength of the Islamic countries' diplomacy.

Of course, these four points do not mean that the issue of lifting the arms embargo should be disregarded. The Islamic governments should take every possible step to achieve this goal. They will succeed if they are realistic about it. But if the OIC Contact Group members' 21 July decision is only a political-propaganda step and

no further action is taken, the rebel Serbs will resort to allegations that the Islamic countries are sending arms to the Muslims and use religious pretexts to continue their massacres.

Tajik Envoy Says Rakhmanov Visit 'Turning Point'

*LD3007094595 Tehran IRNA in English
0710 GMT 30 Jul 95*

[FBIS Transcribed Text] Tehran, July 30, IRNA — Iranian Ambassador to Tajikistan 'Ali Ashraf Mojtabeh Shabestari told the daily IRAN NEWS that the recent Tehran visit of Tajik President Emomali Rakhmanov was a turning point in the relations between Iran and Tajikistan.

Shabestari, in an interview with the English-language daily which was printed on Sunday [30 July], stated that Irano-Tajik relations are on the right path and the future holds the promise of even closer ties between the two nations.

He said: "Iran played a vital role in defusing the alarming situation in the former Soviet Union republic."

During Rakhmanov's three-day visit to Iran as a guest of President Akbar Hashemi-Rafsanjani which began on July 16, Iranian president appealed to both the Dushanbe government and the opposition Islamic and democratic parties to sit down and talk to find an acceptable solution to the internal crisis of Tajikistan.

"Opposition leaders and President Rakhmanov talked in the presence of President Rafsanjani in Tehran. The Tajik people appreciate Iran's mediating efforts, and the two nations now have real brotherly feelings," he stressed.

"Even the representative of the United Nations and some regional countries welcomed the Iranian mediating in Tajikistan," Shabestari said. The ambassador added, "There are certain people inside and outside Tajikistan who tried to create a gulf between Dushanbe and Tehran, but timely steps taken by the Iranian Government discouraged these elements."

The Islamic Republic of Iran and Tajikistan exchanged 150 cultural delegations that brought the two countries closer, Shabestari said, adding that the plan for an air link between Tehran and Dushanbe is in the pipeline and the flights will start soon.

The air link between the two countries will pave the way for the exchange of tourists and trade which further enhance the existing relations, Shabestari commented.

A Tajik airline delegation is due to arrive here on Monday at the invitation of Iran Air Managing Director Hasan Shafti, he said.

German Envoy Views Trade, Political Relations

*LD3107113795 Tehran IRNA in English
1011 GMT 31 Jul 95*

[FBIS Transcribed Text] Tehran, July 31, IRNA — The German charge d'affaires to Tehran Walter Eickhoff appreciated efforts undertaken by Iran to establish a regional security system.

Speaking to the latest [words indistinct] KEYHAN-E HAVA'I, he underlined the importance of the role Iran plays in the Persian Gulf region.

"As one of the major regional powers, it has an understandable interest in and a corresponding responsibility for maintaining peace and stability in that area," he said.

Commenting on relations between the two countries, he said that bilateral economic relations between Iran and Germany have traditionally been good and close and added that in 1994, Germany was still the most important supplier of goods for Iran.

It is true, however, that in 1994 Iranian imports from Germany decreased 37.3 percent as compared to 1993, [words indistinct] 1995 this trend is likely to continue.

"We therefore cannot expect a short-term change as far as German exports to Iran are concerned," he noted and said that German imports from Iran, however, increased another 1.7 percent in 1994, reaching 1.34 billion German marks.

In 1993, he said, the increase of German imports from Iran was about 14 percent.

The Federal Republic of Germany absorbs the large amount of Iranian non-oil exports, the weekly quoted him as saying. Germany, therefore, makes an essential contribution to the Iranian efforts to diversify the export structure of the country.

"An important institution for the promotion of German-Iranian economic relations is the official German-Iranian Chamber of Industry and Commerce in Tehran," Eickhoff announced.

It has existed for 20 years now (1975-1995) and, with more than 2,000 members, it is by far the biggest bilateral chamber in Iran, he further said.

He reiterated, "German-Iranian economic relations are based on traditional long-term nature and independent of temporary economic difficulties."

Answering a question on the impact of the U.S. trade embargo against Iran and if [words indistinct] call on the European countries to join its [words indistinct] the political independence of those states, Eickhoff said it does not seem that the U.S. call for other countries to

join the embargo against Iran would hurt the political independence of these countries.

"We are not in favor of isolating Iran, but prefer maintaining a dialogue between our two countries and in the framework of the European Union, where problems and questions of common interest can be discussed and mutual understanding can be improved," the German diplomat added.

Referring to last week call of Iran's Ambassador to Germany Hoseyn Musavian on Germany's Hermes to expand its 150 million Deutsche mark insurance cover ceiling for exports to Iran, he said that the two debt-rescheduling (restructuring) [words indistinct] Iran in 1994 have created a good basis for a normalization of German-Iranian trade relations.

He announced that the amount of hermes-covered debts is about four billion marks and that of uncovered debts about one billion mark. [Word indistinct] undertaken by Iran in the two agreements have been punctually honored so far," he said adding, also there have been no substantial delays with newly opened [words indistinct].

This [words indistinct] the federal government to reopen the facility for credit insurances for exports to Iran, he stressed and added, "as a first step, the government has created a ceiling of 50 million marks for short term transactions, and of 100 million marks for medium and long term transactions."

We wish for further steps to follow on this way, and hope that our Iranian partners will continue to maintain the corresponding conditions, the German official noted.

Referring to the German Government's refusal to export equipment or complete the semi-finished Bushehr nuclear power plant, the German official underlined that 'the decision of the government is based on its very strict export control regulations.

The federal government has also to take into account the great sensitivity of German public opinion as far as the export of such equipment is concerned, he said stressing that the case raised in the international arbitration tribunal is not between Iran and Germany, but between Iran and the [words indistinct] if his country hosts the largest number of Iranian opponents, particularly the terrorist Mojahedin-e Khalq Organization (MKO), he said, "I am not aware that Germany 'hosts' the largest number of Iranian opponents."

As to the activities of the MKO, they [words indistinct] prohibited as long as German laws are not violated, KEYHAN-E HAVA'I quoted him as saying.

"When such violations happen, like in the case of the attack on the Iranian Embassy in Bonn, legal

proceedings are instituted against the perpetrators," he concluded.

Pakistan Envoys Grateful for Kashmir Mediation

*LD0108181495 Tehran Voice of the Islamic Republic of Iran First Program Network in Persian
1630 GMT 1 Aug 95*

[FBIS Translated Text] Messrs Maulana Ihtiram ul-Haq and Murtaza Puya, special representatives of the Pakistani Prime Minister in Kashmiri affairs, today met Mr Ala'eddin Borujerdi, deputy foreign minister for Asia and Oceania, and discussed the latest developments in Kashmir.

At the meeting, praising the Islamic Republic of Iran for its policy to solve the problems of the world of Islam, Mr Ihtiram ul-Haq said: The people and government of Pakistan have complete faith and confidence in, and the outcome of, the Iranian government's mediation to resolve the Kashmiri issue.

He added: The special attention paid by the Islamic Republic of Iran to the problems of the world of Islam, such as Bosnia, has turned Iran into a source of hope for the world Muslims.

Mr Borujerdi said: Iran has always paid special attention to the problems of the world of Islam and strives to solve them. The Iranian foreign minister's trip to Bosnia in the most dangerous circumstances demonstrates Iran's serious support for the innocent Muslims of Bosnia-Herzegovina.

Thanking the Pakistani government and people for their confidence in the Islamic Republic of Iran he added: Iran has always declared its readiness to help ease tension between Pakistan and India and help in the Kashmiri issue.

Reportage on Joint Commission Meeting With Morocco

Commission Plans Closer Economic Ties

*LD3107133595 Rabat MAP in English
1256 GMT 31 Jul 95*

[FBIS Transcribed Text] Tehran, July 31 (MAP) — The Moroccan-Iranian joint commission held its first session here Saturday [29 July] to look into economic and commercial relations between the two countries.

Both sides voiced determination to upgrade bilateral cooperation, to explore means of giving a new impulse to Moroccan-Iranian relations and to consolidate ties between the two countries' Chambers of Commerce and businessmen through participation in economic events organized by either country.

The commission will sign a commercial accord.

After an interruption of trade relations between the two countries during the 1981-88 period, trade exchanges resumed in 1989 and went up from 147.7 million dirhams to 2.24 billion dirhams in 1994 (1 USD = 8.5 dh).

The progression was made possible thanks to the increase of Moroccan imports from Iran which are mainly made up of crude oil (95 pc of total imports) and which are worth 1.78 billion dirhams. Morocco's exports to the Gulf country, mainly phosphate products, reached over 453 million dirhams.

During the past two years, Iran was Morocco's second oil supplier after Saudi Arabia.

Minister of Trade, Industry and Handicraft, Driss Jettou, who is leading the Moroccan delegation to the joint commission works held side meetings with a number of Iranian officials, including ministers of industry and of oil industries.

Talks focused on ways of increasing Moroccan exports to Iran to curb the commercial deficit and to no longer limit trade exchanges to oil and phosphates.

Chambers of Commerce Sign Agreement

LD3107132695 Tehran IRNA in English
1222 GMT 31 Jul 95

[FBIS Transcribed Text] Tehran, July 31, IRNA — A draft cooperation agreement between Iran's Chamber of Commerce, Industries and Mines (ICCIM) and Moroccan Chambers of Commerce Federation was inked here on Monday [31 July] by ICCIM President 'Ali Naqi Khamoushi and two Moroccan commercial officials.

During the meeting, President of Moroccan Chambers of Commerce Federation Ahmad al-Morabit said that at present Moroccan commercial and economic cooperation was shifting from European countries to Muslim states.

Khamoushi on his part suggested formation of a joint tri-lateral committee comprising Iranian, Libyan and Moroccan Chambers of Commerce for internal and external investment, which was welcomed by al-Morabit.

Meanwhile, Director of Moroccan Commercial Society 'Ali Berkash said "we have urged our government to form a permanent commercial center in Iran."

Minister Views 'Possibilities'

LD0108134795 Rabat MAP in English
1301 GMT 1 Aug 95

[FBIS Transcribed Text] Tehran, Aug 1 (MAP) — Iranian Foreign Minister 'Ali Akbar Velayati lauded

the role played by Morocco and by King Hassan II, acting chairman of the Organization of [the] Islamic Conference, and voiced appreciation for the sovereign's efforts to close the ranks of the Islamic nation.

The statement was made at a meeting here Sunday [30 July] with Moroccan Minister of Trade, Industry and Handicraft Driss Jettou who is visiting Iran to lead the Moroccan delegation to the first session of the Moroccan-Iranian joint commission. The two sides voiced the two countries' determination to upgrade bilateral cooperation in matters of economy, trade and partnership.

Jettou who conferred with several other Iranian officials chaired a seminar on prospects to promote economic and trade relations between Morocco and Iran. He expounded on the occasion the partnership possibilities offered by Morocco in the fields of industry and investment.

The seminar, held on the fringes of the joint commission session, gathered about one hundred Iranian businessmen.

Jettou had earlier conveyed to Iranian President 'Ali Akbar Hashemi-Rafsanjani a verbal message from King Hassan II, related to political and economic bilateral relations and to issues of mutual concern, especially those concerning the Islamic nation.

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During the past two years, Iran was Morocco's second oil supplier after Saudi Arabia.

Cash Volume Effects on Economic Structure Viewed

95LA0314A Tehran KEYHAN in Persian
18, 19, 20 Jun 95

[18 Jun p 5]

[FBIS Translated Text]

How much money do you have in your pocket? Probably not a lot. Usually, you put money in one of your pockets and know that you have no money

in the other pockets. As for the change, it is not worth counting. You may be one of those citizens who has no bank account and whose small sum of money at home is hardly enough to meet his expenses to the end of the month. Hence, you have a minimal share of the national cash volume or cash flow at your disposal. Not all citizens are in such a situation. Estimates show that more than 70 percent of the national cash flow is in the hands of 3 percent of the people, and the level of cash flow in the country is now 60 trillion rials [R].

In developmental discussions, the uncontrolled growth of the cash volume and its concentration in the hands of middlemen and speculators is regarded as a factor that halts the growth and developmental programs of the country, but what most obviously demonstrates the disproportionate and unbalanced increase in cash volume is the bothersome vast differences in people's incomes, which in turn indicates the failure of the monetary and financial policies. In some instances, reducing the figures and looking at them at a lower level helps us understand the issue. If we take the national cash flow to be 60 tumans instead of R60 trillion, considering that 3 percent of citizens have more than 70 percent of it at their disposal, the share of this small group is 42 tumans. In fact, 3 percent of the people have 42 tumans and the remaining 97 percent of citizens only have 18 tumans at their disposal. Another comparison shows the disproportionate, unbalanced growth of cash volume. If the population of the country is 60 million, 3 percent of this population is 1.8 million people. Hence, less than 2 million people have 70 percent of the cash flow, and the remaining 58.2 million—that is, almost the entire country—has only 30 percent of the cash flow.

The disproportionate and unbalanced growth of cash volume, in addition to its destructive effects on the level of the greater economy, will also have problematic effects with regard to manpower in terms of giving direction to the capital for activities in nonproductive sectors, whereas developing human resources is mentioned as one of the main factors in increasing profit. How is it that the level of national cash volume that in the final days of last year was R55 trillion has now increased to R60 trillion? The increase in cash volume in a short period of time by 8 percent has taken place despite measures such as the sale of coins and other similar steps. Hence, the disproportionate and unbalanced growth of cash volume is not something that can be resolved with quick-fixes. Rather, we must look for fundamental factors. Dr. Bahman Arman, an economic analyst and university professor, says in regards to the roots of the growth of cash volume:

"Essentially, the governments have the monopoly on printing money. Having such a basic tool can be a double-edged sword at the service of governments. Usually, economists believe that the level of cash volume in a system must be neither too little nor too much. In other words, this is similar to motor oil. If there is too little oil the motor will burn, but too much will make it hot and create problems. Cash volume is also the same. Too little of it will cause recession and lack of economic capabilities and capacities, and too much of it will create the grounds for inflation, disorder, and economic imbalance. Why has this situation occurred? In the early years after the revolution, the government undoubtedly was the heir to a rather extensive government organization that, compared to similar countries, was too large. The private sector, though on a smaller scale, was at the side of the government, and by taking charge of parts of the financial resources it was performing certain duties. The victory of the revolution and its natural consequences, and the government's loss of the abilities of the private sector, provided the grounds for the government to directly take charge of certain duties which traditionally were handled by the private sector. The new policies and the instances included in Article 44 of the Constitution regarding the expansion of the activities of the government sector conferred new responsibilities on the government. The government gradually faced an expansive flow of activities. On the other hand, government revenue sources could not increase in proportion to the new needs. For this reason, the government found itself facing fundamental problems in terms of procuring its revenues and was forced to borrow from the banking system. Such a problem gradually increased with the increase in wartime needs, and the printing of money became the engine driving the economic development and providing for the needed financial resources of the government.

"At the same time, the government budget deficit, which is a total reflection of the increase in the cash volume in the economic system, began to increase continuously so that in 1367 [21 March 1988-20 March 1989] about half of the general national budget was provided through the budget deficit. Such phenomena ultimately resulted in an imbalance, and with the end of the war, the hidden inflationary pressures surfaced, and the prices of general goods gradually increased.

"Alongside the increase in the size of the government sector and its activities that are mentioned as a major factor in the increase in cash volume, the economic development plan is also regarded as a factor in the increase of cash volume. With the implementation of every economic project, including the building of a road or the creation of a refinery, certain amounts of money in

the form of wages and other payments are injected into the society. Such payments automatically increase the cash volume as well as demand and escalate inflation."

In this connection, Dr. Bahman Arman says: "The First Five-Year Plan of the government after the war had the grave responsibility of reconstruction and economic development. Undoubtedly, the government was also in charge of fundamental investments that had almost stopped during the war.

"Investments in the course of the First Five-Year Plan increased from the worrisome figure of 12 percent of the gross national product to 21 percent by the end of the plan, but we know that investments at the start until they reach operation are inflationary. For this purpose, in addition to the extensive needs of the government that in the past years resulted in the increase in demand for financial resources by the government, the increase of the flow of investments as another factor escalated the growth of cash volume."

Experts believe that the level of investments—most of which have not yet reached fruition but have left their inflationary pressure through increase in demand—was significant in the course of the First Five-Year Plan. Economic experts consider such investments necessary and regard their consequences inevitable.

An economic expert says in this connection: "The government actions in the area of fundamental investments and reconstruction have been inevitable, but the monopolistic reliance of the government on the banking system resources and failure to use the efficient tools that are utilized in other countries helped bring about inflationary pressures. These conditions prepared the grounds for us to witness the unpleasant and unusual effects of the present time."

A group of economic analysts believes that the main root of the inflation and increase in cash volume must be sought in the unwise monetary and financial policies. They believe that the implementation of the developmental programs has an insignificant role in the disproportionate increase in cash volume. Moreover, the results of investments that have been made within the framework of developmental plans will be gained sooner or later, and at that time, with the increase in production, a significant volume of demands will be met.

An economist believes in this connection: There are countries in the world that have been experiencing double-digit growth rates for years, but this growth of cash volume and inflationary pressures has been less than ours. For example, South Korea and China have had an economic growth between 9-10 percent for years,

which is more than the economic growth of Iran in the First Five-Year Plan, but the level of their cash volume and inflation is less than ours.

[19 Jun p 5]

[FBIS Translated Text]

Who are the owners of significant volumes of cash? Among them are more nouveau riche than anyone else, those who have gained their huge capital in a short period of time, not through production but through disrupting the distribution system and other illegal methods. The natural consequences of such issues is the increase in the gap between the haves and the have nots and the destruction of the grounds for production.

One fact cannot be ignored: The capital of a group of citizens has been gained through production and sound economic activities.

The latter group has put its capital under the harshest conditions in production and construction, but we must see what portion of the total cash volume in the society is comprised of their capital. A passing look shows that today a major part of the cash volume is in the hands of those who have gained all of their wealth from the chaotic market.

The present situation of the cash volume in our country can be studied from two perspectives: disproportionate distribution of income and its negative social and economic consequences, and the disproportionate formation of cash volume and its non-productive nature

The polarization of the society into wealthy and poor in many countries and historical periods has been an unfortunate experience, and this failure in countries that have witnessed it shows that the poor do not have sufficient means for educating their children. Children who are born into poor families based on what is called the "poverty cycle" will be poor. Hence, for most citizens, there is no bright outlook. Production and thought will never receive the appropriate spiritual and material response. In such a society, the researcher is poor and despairing and the producer confused.

Regarding how the cash volume is formed, experts say: The R60 trillion cash volume was formed over a short period of time. Hence, it cannot have a productive basis.

The formation of cash volume in a logical process does not have such negative consequences, and this logical process is nothing less than work and effort and useful investment for the long term. The traces of such an issue can be seen in societies that have gained their wealth as a result of several decades or even one century, but

Unfortunately, we see that many of the owners of the cash volume in Iran have gained their wealth in less than half a generation—that is, in about seven years—and this is not compatible with any economic logic. Such capital has not been gained through production and will never be employed for production. The existence of this cash volume makes the government's job difficult with regard to implementing developmental programs and destroys the status of work and effort as social values. When, through non-productive activities and being a middleman, one can achieve everything overnight, why should one choose the uneven path of production?

Many believe that the banking system of our country, considering the existing regulations, does not have the necessary capability to prevent the disproportionate formation of cash volume and inflationary pressures. The owners of large volumes of cash generally are not inclined to make deposits, particularly long-term ones, in the banks, and in many cases, the banking system acts as a tool for their non-production activities.

The loose monies, instead of being deposited in banks and spent on production and fundamental activities, are concentrated in non-productive activities. The banks, too—considering the short-term resources at their disposal—are forced to engage in commercial and service activities. Hence, the disproportionate cash volume shapes the activities of the national banking system.

Our experts believe that we have two kinds of tools for spending at our disposal. The first tool is money and the second is assets. Money is what can be readily converted into cash. On the whole, money includes cash and short-term deposits in the banks. Short-term deposits are considered money, since they can be converted to cash at any moment.

Assets include long-term deposits in the banks. The total of money and assets make up the cash volume. The larger the share of assets in the cash volume, the better balanced the economic system. Unfortunately, in our country, long-term deposits are considered short-term deposits because at any moment the person can go to the bank and, by receiving short-term profit, receive his long-term deposit that should, for example, be in the bank for three to five years. In other countries, this is not so. Long-term depositors do not have access to their deposits until the end of the specified period and must convert their long-term deposits to cash in the stock market.

In the opinion of banking experts, one of the reasons for the uncontrolled cash volume in Iran and the inflationary pressure resulting from it is the lack of blocked long-term deposits in the banking system.

The fact that people can go to the banks to receive their deposits makes the banking system incapable of improving the chaotic economic problems. This becomes especially significant during the time that the market is disrupted. In the foreign currency crisis of spring this year, many people went to the banks and cashed their long-term deposits, converting them to foreign currency and coins.

Khosrow Bisang, a seller of health products, says in this connection: "At times, when the rate of foreign currency goes up and inflation increases, the people have no other way but to take their money from the bank and buy foreign currency and gold. We must not blame the people for that. Rather, the government must bring order to the market. The people constantly compare the banking profits with the profit gained from service and commercial activities and finally prefer to withdraw their deposits from the banks. Under these conditions, the banking system becomes the only factor for trade through short-term (current) deposits and a trustworthy place for deposits and savings of the elderly, whose savings compared to the total level of cash volume in the society is not very significant.

Many people think that bank earnings are insufficient, and in exchange for a certain amount, they place their money for economic activities at the disposal of others. Such individuals, hoping to have more income, accept the risk of losing their original capital, and it is not important to them what activities are carried out with their money. The important principle is the continuation of the agreed income.

Lack of access of the banking system to long-term deposits has made that system incapable of engaging and participating in long-term production and fundamental programs.

The banking system has always suffered from the ups and downs of the market and has lost its balance. The increase in the rate of foreign currency and gold and the instability of the market is directly reflected in the level of long-term deposits of the people in the banks. Under the critical conditions, in order to prevent the decrease in the purchasing power of their money, people withdraw their deposits from the banks, and the banking system has a reactionary role in this situation.

In many countries, in order for the banks to have long-term financial resources, special initiatives are taken. In this case, the banks have sufficient opportunity to use their monetary resources. Banks may employ their long-term deposits in implementing long-term fundamental and production projects. Otherwise, the banking system will face the risk of the decrease in long-term deposits.

Concerning how to protect long-term deposits in the banks in other countries, an economic expert says:

"In other countries, the due date for the cash payment of the principle of long-term deposits is at the end of the contract. To receive cash for the long-term deposits prior to the determined period, the stocks of such deposits must be traded in the stock market. Also, one can inform the bank a month before the intention to withdraw money out of the long-term deposit account. In other countries, banks create sufficient opportunities for themselves for investment through long-term deposit contracts, but in Iran, banks, due to lack of trust in their resources, engage in trade and mostly grant business loans."

[20 Jun p 5]

[FBIS Translated Text]

The results of the disproportionate and unbalanced growth of cash volume must be accepted as fact, but its growth must be slowed down and the cash gradually moved toward production. In other words, the financial resources concentrated in the hands of the wealthy minority must necessarily be used in production and construction. Experience shows that advice, the use of force, and temporary actions have been unable to bring the loose capital toward production instead of wasteful economic activities. For this reason, giving direction to the cash volume requires a comprehensive, long-term plan, a plan that paints a hopeful landscape for all the citizens and compatriots.

In the opinion of experts, R60 trillion in cash volume in the society has no production direction. The existing cash volume has been formed on the basis of the following characteristics:

—Owners of cash volume are usually a minority that lack a history of production and construction.

—They have not worked very hard to accumulate the cash.

—The period for accumulating the cash has been short, less than one decade.

—In most cases, the source of the cash has been ineffectual and harmful activities for the majority of the society.

Based on these characteristics, the significant cash volume of many individuals must be regarded as windfall money gained as a result of the chaotic market, and since these financial resources have no production basis, they are the same as the petro-dollars, which have, unfortunately, been distributed unjustly. Some—or more accu-

ately the majority—of the people have had only a small share of the oil revenues to make a living, and a minority have taken control of most of it through speculations and dealing. The consequences are not restricted to the polarization of poor and rich in the society. Rather, this national wealth today appears as a major obstacle on the path to development.

Economic Development and a Major Obstacle

Some regard the disproportionate growth of the cash volume as due to the implementation of the developmental programs.

In the opinion of this group, in order to reduce the growth of the cash volume and prevent inflationary pressures, the speed of economic development must be slowed down. The fact is though that a small percentage of the cash volume growth is due to implementing the developmental programs.

Moreover, considering that the cash volume has a non-productive direction, it is a major obstacle on the path to implementing large, fundamental production projects.

Dr. Bahman Arman, an economic analyst and university professor, believes in this regard: "Some believe that the present inflation is due to the rapid growth and economic development, but the opinion of the economic experts, based on international statistics and data, indicates a different reality. In fact, economic development by itself and based on theoretical foundations can cause inflationary pressures, but what we see in Iran is not affected by the rapid growth of the economy because in other countries, more rapid growth has been experienced without the inflationary pressures we are experiencing in Iran. Hence, the roots of inflation and growth of cash volume must be sought not in the developmental policies but in the monetary and financial policies that have been implemented. Fortunately, the government and the new administration of the Central Bank have made the necessary decisions concerning these problems, and it is expected that if they succeed in implementing such methods, this year the growth of cash volume will be restricted to 5 percent, and subsequently the inflationary pressures will also decrease.

At the present, the monetary officials of the country are designing and proposing new methods of securing the financial resources, on the basis of which the developmental and industrial projects' reliance on the resources of the banking system, which is by nature inflationary, will be reduced.

Ultimately, such officials, who are mostly from the government, will be responsible to procure their financial resources with the people's participation.

In this connection, it would be appropriate to state that in one of the neighboring countries recently, for the purpose of procuring financial resources, the government has published bonds with twice the interest of that of the banking system. In this way, the effects of the international embargo on the national economy were neutralized. Such a decision on a more limited basis is intended by the officials in Iran, and what is called the correct direction for the cash volume will be implemented.

Cash Volume and People's Participation

In the opinion of many economic experts, in order to direct the cash volume toward production and construction, appropriate ways must be created for the participation of the people, especially the owners of significant cash volume, in the developmental projects. Dr. Bahman Arman says in this connection:

"Failure to implement proper policies and the tendency of the cash volume to move toward commercial and high-profit activities in the trade sector, particularly foreign trade, created the grounds for a major part of the cash volume in the society to be concentrated in the hands of a few."

The accumulation of this volume of vast financial resources in the hands of a particular group or a limited stratum has created the danger of the government being concerned at every moment about this cash volume. For example, even if the participation of the people is intended while a significant part of the cash volume in the society is in the hands of a limited stratum, how can the offering of bonds or participation in developmental projects be expected to be successful, since the success of such policies depends on the support of this particular stratum? The solution to this problem is that, with special decisions, the government reduce the attractiveness and high profitability of trade activities, especially imports. Also, the government must, through tax exemptions, create the proper climate for production and industrial investments. If this is achieved and the government is determined to carry it out, undoubtedly the present cash volume surplus that so concerns the political and economic officials will find its direction and will move in the direction of the interests of the political system and the country. Otherwise, the government must interfere in the market at various junctures and, for example, one time go after the issue of the increase in the price of consumer goods, another time the issue of foreign currency, and then housing, cars, etc. Such actions deprive the government of making policies and change it to a reactionary executive tool, which is not in our interests.

Based on the existing evidence, once the government has been able to create sufficient security for invest-

ment, the financial resources accumulated in the hands of a particular group will move toward production investments. The proof of this claim is that in the years since privatization and the sale of factory shares to the private sector have been under way, we have witnessed the movement of a significant stratum of the owners of financial resources toward purchasing government companies. This itself shows that the government can, through special decisions, encourage the financial resources toward production activities. At the present time, the Ministry of Roads and Transport has officially announced that it is negotiating with the private sector for the Tehran-north expressway.

Money seeks profit. While the rate of inflation is officially about 35 percent, the owners of financial resources cannot be expected to employ their resources in activities that are less profitable than this. For this reason, it is necessary for the government to take initiatives to strengthen the general climate for investment in the country and encourage people to invest. If this is achieved, the large capital will undoubtedly also determine its direction.

In conclusion, Dr. Bahman Arman mentioned the establishment of a large investment company as an essential step in giving direction to cash volume and said:

"The essential step that must be taken now is for the Central Bank to establish a large investment company, with the participation of the public, in order to create the climate for investment in the country and overshadow trade activities. Hence, the Central Bank, by making a model of the Iranian National Investment Company, should create the grounds for establishing an investment company with capital at least equivalent to R1 billion in order to create a climate for production activities in the society and for the cash volume to be controlled in the society."

Article on Trials for Ex-Revolutionary Figures

95LA0302A London AL-SHARQ AL-AWSAT
in Arabic 1 Jul 95 p 4

[Unattributed article: "Trial of Those Charged With Corruption in Tehran Suspended Suddenly Because of Legal Disputes; Iranian Sources Fear Dossiers of Other Issues Will Be Opened"]

[FBIS Translated Text] Tehran—Yesterday, judiciary sources in Tehran said that the current trial of eight prominent revolutionary figures charged with corruption and forgery has been suspended because of legal disputes. The figures face a number of charges on "financial crimes" involving a total of nearly \$480 million.

Some defendants have complained that they were not allowed to get any legal advice during their detention and until they appeared before the court last Thursday.

Two defendants, namely Qolam Reza Mohammad Beiji and Bahrouz Yar Khoday, have been able to flee Iran and are said to want to settle in the United States. Both were major figures in the revolution that brought Khomeini to power. But the best-known defendant is Mortaza Rafiq-Dust, who, until his arrest last year, was a prominent member of President Hashemi Rafsanjani's moderate wing. Mortaza is also Mohsen Rafiq-Dust's brother who served as Revolutionary Guard minister and who has been the head of the Foundation for the Dispossessed for nearly a decade. This is the second biggest Iranian commercial corporation whose total financial activity amounts to nearly \$10 billion.

The trial is scheduled to be resumed on 5 July. This trial has focused the interest on what is characterized by the Iranian media as the "rising tide of corruption that can bury the revolution." In the opinion of many, the Foundation for the Dispossessed is considered a symbol of this rising tide. Even though Mohsen Rafiq-Dust, this corporation's chairman, has no direct connection with the current trial, judiciary sources say that there were firm working relations between the organization and some defendants.

Reports say that, at least in some of its transactions, the corporation purchased foreign exchange from the defendants at higher prices than those offered by banks.

In the past two years, Mohsen Rafiq-Dust has distanced himself from President Rafsanjani and joined the wing that is close to Supreme Leader Ali Khamene'i, according to experts in Iranian affairs. He has also altered the corporation's regulations so he will submit reports to the supreme leader only.

But deputies loyal to Rafsanjani have criticized Rafiq-Dust, saying that he acts like a government within a government, and the House of Representatives [Majles] has begun an investigation of the corporation's activity. However, investigation committee members have complained because they have not been able to reach sensitive materials, which, the corporation says, can only be seen by the supreme leader.

Defendant Fazl Khodad is known to be a close friend of Mohsen Rafiq-Dust's. Along with defendant Yar Khoday, Fazl played a sensitive role in creating anarchy in Tehran in 1978 as part of the rebellion ordered by Khomeini before his return from Paris.

The other defendants are Abo-Taleb Ibrahim, Ibrahim Jamshid Arqand, and Mohammad Majedi Tahrani. They are all described as businessmen, bankers, and econo-

mists who joined the revolution after it succeeded and who offered its leaders advice as the best way to make money.

The current case is the latest in a series of cases that were uncovered in Iran last year. Last spring, a prominent mulla and member of the House of Representatives was convicted of the misappropriation of public funds and was fined \$6 million. But he was not jailed, and he did not lose his parliamentary seat. Also, at least 100 minor politicians and officials were jailed on corruption charges in 1994. Some analysts say that corruption cases are often tied to disputes between the various wings within the ruling establishment. This is because some of these wings control the black market and others make money through speculation in foreign exchange. There are also those who accumulate wealth by using their influence on behalf of businessmen who want to get loans from state-owned banks at attractive interest rates.

For years, mullas have been accumulating their wealth by issuing certificates transferring property seized by revolutionary committees to new owners who prove their loyalty to Khomeini. Official estimates indicate that mullas have distributed more than 73,000 real estate units, including factories, houses, shops, and farms, to their supporters. It is natural that the Foundation for the Dispossessed and the Imam's Foundation, created by Khomeini and managed by his son Ahmad until his death recently, have been acquiring the biggest pieces of real estate. Government sources fear that the current trial will encourage judges to open the dossiers of numerous other cases.

Pakistan

Editorial Demands Refund From U.S. for Aircraft

BK3107122095 Islamabad KHABRAIN in Urdu
29 Jul 95 p 10

[Editorial: "We Demand our Due — not Aid or Charity — From the United States"]

[FBIS Translated Text] Prime Minister Benazir Bhutto has said that the United States will provide arms and aid to Pakistan soon. As a result of the Pressler amendment, we have not been getting any arms or money from the United States. The people's government has succeeded in getting the one-sided pressure — placed on Pakistan in connection with its nuclear program — removed. The prime minister made these observations while inaugurating the four new units of the Tarbela hydroelectric project and the Tahanka road in Manshara.

In her speech, the prime minister has divulged the good news about the resumption of U.S. aid and arms supplies to Pakistan. We beg to tell the prime minister and our U.S. benefactors that we want Washington to refund the money we had paid for the 38 F-16 aircraft. According to U.S. statistics, the money already paid to them amounts to \$658 million. In addition, Pakistan had deposited with the United States an advance sum of about \$750 million for the purchase of spare parts for the planes, other equipment, and repair services. In spite of having received all this money, Washington neither supplied the aircraft, spare parts, or services under the pretext of the Pressler amendment. Even after the lapse of several years, they keep saying that in view of the Pressler amendment, the United States cannot help Pakistan in any way in this regard. May the wrath of God be on them! Pakistan is a country of poor laborers. We want to purchase the aircraft with our hard-earned money to defend our country and to safeguard our independence, but the United States has not only gobbled up our money but also refused to supply the arms we need. Washington has pressured us over and over again to forgo our peaceful nuclear program, and hurled threats in a very insulting manner which declare Pakistan to be a terrorist state.

We want to point out to Prime Minister Benazir Bhutto that even a small Pakistani child knows full well what kind of a friend, well-wisher, and sympathizer the United States is to Pakistan. We have had ample opportunities to test the friendship and commitments of the United States and we have a very good idea about Washington's "friendship and love" toward us. We want our due from the United States. We want the money we deposited there. We want the arms and spare parts for which we paid in advance. We have broken our begging bowl and do not need any aid or charity from the United States. The people of Pakistan must be informed of the status of the country's nuclear program — whether it has been capped or rolled back to placate the United States? The people of Pakistan do not need any aid from the United States or, for that matter, any Western country. The people have rejected such offers in the past. They want nothing but their legitimate rights and the refund of money already paid.

As for the decision of the prime minister to increase the electricity supply and reduce power blackouts by 50 percent, we would have certainly welcomed this announcement had we not known that more than half of the industrial units nationwide are closed. When the commercial organizations which consume much of the electricity are closed, where else can the electricity be used? Therefore, the announcement that the power blackouts are being eliminated is nothing but a ploy

to fool the common people. Had Bhutto divulged the good news that the government has decided to build the Kalabagh dam or that the cabinet has rejected the hike in electricity tariffs announced by the Water and Power Development Authority, the masses would have welcomed the news. The prime minister did not take any such step, however, and the people are paying hefty prices for the electricity they use.

In spite of their exploitation at the hands of black marketeers, hoarders, and profiteers at this time of rising prices nationwide, the people of Pakistan still possess their sense of honor, self-respect, and love for their country. The prime minister has told the people of Pakistan about the memorandums of understanding signed for foreign investment worth \$20 billion in the country, but where will these projects be installed and operated? The Pakistani people need only the hydroelectric projects, because thermal power plants are not at all suitable for the climatic and environment conditions we have in Pakistan. The Pakistani people need only the Kalabagh, Ghazi Barotha, Wasu, and other dams. What we need is to restore peace and law and order to Karachi; to ensure the supremacy of democratic values and the rule of law; and to ensure the Pakistani Government's total control over Pakistani resources.... The prime minister should, therefore, devote her attention only to the measures required to be taken to solve the numerous problems of the common man and to strengthen democracy and establish peace and order and the rule of law.

Sri Lankan Official Visits, Discusses 'Insurgency'
BK3107104795 Islamabad THE MUSLIM in English
31 Jul 95 pp 1,5

[FBIS Transcribed Text] Islamabad, July 30 — Sharing common perceptions on the peace and security of South Asian Region, Pakistan and Sri Lanka Sunday [30 July] agreed to enhance the existing bilateral co-operation in the field of defence and science and technology. This has come in the wake of reports suggesting that Pakistan would be supplying locally manufactured light arms and ammunition to Sri Lanka faced with worst of its kind insurgency by Tamil Tigers.

The proposed meeting between the visiting Foreign Minister of Sri Lanka Lakshman Kadirgamar and Defence Minister Aftab Shehban Mirani has given credence to the reports that Sri Lanka and Pakistan would be seeking greater co-operation of each other to tackle the issues confronting them in the region. The visiting Foreign Minister of Sri Lanka HE [His Excellency] Mr Lakshman Kadirgamar, accompanied by Foreign Secretary Mr R C A Vandergert and other members of his delegation called on the Foreign Minister of Pakistan,

Sardar Asif Ahmad Ali, at the Foreign Office this afternoon.

In a tete-a-tete, preceding the formal bilateral talks, the Foreign Minister welcomed the Foreign Minister of Sri Lanka and emphasised the close, warm and friendly relations between Sri Lanka and Pakistan which have stood the test of time. The Foreign Minister of Pakistan and the Sri Lanka Foreign Minister expressed their satisfaction at the opportunity to exchange views on not only bilateral cooperation, but equally on significant regional and global issues, during the formal talk the Pakistan side briefed the Sri Lankan delegation on the prevailing situation in the region with specific reference to the Jammu and Kashmir issue, while the Sri Lankan side elaborated on the measures and steps taken by the Government of President Chandrika Bandaranaike Kumaratunga to find a political solution to the crisis in Sri Lanka.

The Sri Lankan Foreign Minister explained the devolution package the government intends to unfurl soon, and reiterated his government's determination to find a political settlement. The Pakistan Foreign Minister emphasised that Pakistan would continue to support the territorial integrity, national sovereignty and independence of Sri Lanka.

The two sides discussed the Sri Lankan proposal made during the last SAARC [South Asian Association for Regional Cooperation] Summit on ways to strengthen and improve the SAARC structure and the SAARC Secretariat. The two sides were particularly keen to promote business and trade fora of cooperation and the Sri Lankan side in this context announced that a forum of South Asian businessmen will be arranged in Sri Lanka from 31st August to 2nd September 1995, in which Pakistani businessmen have already shown great interest. Areas such as agriculture, tourism, hotel industry were identified as being full of promise.

The two sides had also occasion to review the existing bilateral cooperation in the field of defence, science and technology and expressed satisfaction at the training facilities offered in these fields by Pakistan.

Earlier the two Foreign Secretaries Mr R C A Vandergert and Mr Najmuddin A Shaikh, had an informal exchange of views where Sri Lankan Foreign Secretary called on Pakistan Foreign Secretary.

Views Kashmir, Ties at Conference

BK0208103595 Islamabad Radio Pakistan Network
in English 0300 GMT 2 Aug 95

[FBIS Transcribed Text] The Sri Lankan foreign minister, Mr. Lakshman Kadirgamar, has said friends of Pak-

istan and India hope that there will be finally a solution of Kashmir problem between the two countries. He was addressing a news conference in Islamabad last evening at the end of his three-day visit to Pakistan. About the SAARC [South Asian Association for Regional Cooperation], the Sri Lankan foreign minister said his country favors discussion on contentious matters informally within a flexible SAARC mechanism.

Mr. Lakshman described his meetings with the Pakistani leaders as very cordial and said existing warm relations between the two countries would be further strengthened in future. About situation in his country, the Sri Lankan foreign minister said the government was not seeking a military solution of the Tamil problem. He said India during the prime ministership of Mrs. Indira Gandhi and Rajiv Gandhi in mid 1980s extended assistance and nurtured the LTTE [Liberation Tigers of Tamil Eelam].

Earlier, the Sri Lankan foreign minister met the Speaker of the National Assembly, Syed Yusuf Raza Gilani, and federal minister for defense, Mr. Aftab Shaban Mirani. He discussed with them matters of mutual interest and bilateral relations.

Official Discusses Peace Efforts in Afghanistan

BK3007143795 Islamabad PTV Television Network
in English 1300 GMT 30 Jul 95

[FBIS Transcribed Text] Foreign Minister Sardar Asif Ahmad Ali, who is undertaking a two-day visit to the Afghan capital, Kabul, from the 3d of next month has expressed optimism about the future peace in Afghanistan. Referring to the multilateral peace efforts for Afghanistan, he said:

[Begin Asif Ahmad Ali recording] Well, it is a very very intensive activity right now. The United Nation's special representative, Mr. Mestiri, is currently visiting various cities in Afghanistan. The Secretary General representative of the OIC is also in Afghanistan. And Insha Allah [God willing], I will be leaving on the 3d for Afghanistan. And at the end of these three important visits — let me also add that before me [words indistinct] — So at the end of all these visits, we will all sit down, compare our notes and try to have a unified peace plan for Afghanistan, which will be a plan which should reflect the wishes of the Afghan people. There is no disagreement on the basic plan. It is just some minor modalities which after plan which need to be clarified, reconciled with other plans. And that is exactly the process that we are now going through. [end recording]

India Accused of 'Brutal Atrocities' in Region

BK2907115195 Islamabad Radio Pakistan Network
in Urdu 0200 GMT 29 Jul 95

[FBIS Translated Text] Foreign Minister Sardar Asif Ahmad Ali has said that India is bent upon vitiating the situation in South Asia by committing brutal atrocities on the unarmed Kashmiris in occupied Kashmir. Inaugurating a clean drinking water supply scheme and a 132 kv grid station in Kusr yesterday, he said India cannot suppress the voice of the people in the occupied valley by the use of force and on the strength of weapons. He said the struggle of the Kashmiris will succeed soon. The foreign minister urged the people to forge unity in their ranks for the sake of Kashmiris and the Bosnian Muslims, who are being subjected to genocide.

'Sources' Confirm Indian Hand in Karachi Violence

BK3007124795 Islamabad THE NATION in English
30 Jul 95 p 4

[FBIS Transcribed Text] Islamabad (APP) Indian External Affairs Minister, Pranab Mukherjee in an interview to PTI in New Delhi, also aired by All India Radio on July 23 said that the allegations levelled by Pakistan President Farooq Leghari and Prime Minister Benazir Bhutto, regarding New Delhi's involvement in fanning the continuing violence in Karachi, were baseless.

The statement of the Indian Foreign Minister seems tea [as published] innocent to be believed because a number of terrorists who have been nabbed in Karachi by the security agencies have confessed to have received training in the RAW camps, established across the border, and have been provided arms and ammunition for the purpose of conducting terrorist activities in Sindh and elsewhere in Pakistan.

A good number of documents have also been recovered from some of the Indian agents who were arrested and handed in Karachi.

Reported, even earlier, Governor of Tripura, Ramesh Bhandari had threatened Pakistan to unleash the insurgent and terrorist forces to separate Sindh from Pakistan if it did not desist from supporting the freedom fighters in Kashmir. Press situation in Karachi proves that India has already intensified its interference through induction of terrorists to translate the threats of Ramesh Bhandari into practice. India has started playing Karachi card in order to pressurise Pakistan to desist from moral and diplomatic support to the Kashmiri freedom fighters. Simultaneously, it also aims at diverting the attention of the world by asserting that there is not something wrong only in the Indian Held Kashmir but even Pakistan is facing such a crisis of restlessness among its people.

Indians are considered the past masters in sabotage and terrorist activities: They are making frantic efforts to counter-balance the Kashmir struggle by creating a Kashmir like situation in Karachi. It is apprehended that large number of RAW agents have infiltrated into Pakistan to escalate subversion. It has been claimed by various opinion leaders in Pakistan and it has also been confirmed by different sources that some of the Altaf Group activists were duly trained by RAW who carry out terrorist activities in Karachi and other areas of Pakistan.

According to informed sources, the Indians have 34 camps inside India to train saboteurs for terrorist activities in Pakistan and thousands of trained RAW agents are busy in Sindh in an organised way. What the world is witnessing in Karachi now-a-days is not simply a law and order problem but a clandestine offensive unleashed by India against Pakistan.

Police Kill Four 'Terrorists' in Karachi

BK0208084095 Islamabad Radio Pakistan Overseas
Service in English 0800 GMT 2 Aug 95

[FBIS Transcribed Text] Government's efforts to eliminate terrorism from Karachi and to provide people peace and tranquillity are meeting success. The most wanted terrorists and men who had created terror in Baldia and Orangi town, named Farooq Dada and Javed Michael, along with Babar and Hanif Mada, were killed in an encounter with the police this morning. According to initial details, all the four terrorists were going in a car when intercepted by police near Model Colony graveyard. The car was signalled to stop, but instead the inmates opened fire on the police party. The police also opened fire, and as a result all the four were killed. Police recovered 12 Kalashnikovs, one light machine gun, one rocket launcher, and one repeater gun besides large quantity of rounds from the car.

Military Leaders Assure Readiness To Defend Nation

BK0108111495 Islamabad THE NATION in English
1 Aug 95 p 3

[FBIS Transcribed Text] Islamabad (PR) — While replying to journalists' questions at the 68th anniversary of the People's Liberation Army of China, Admiral Mansurul Haque said, "The Navy is ready to ensure the maritime defense of Pakistan. However, we are concerned at the massive induction of naval weapons and equipment in our adversary's arsenal, particularly, the recently reported acquisition of Russian aircraft carrier by the Indian Navy."

Commenting on the induction of three new French-origin submarines in the Pakistan Navy, he said that this is essentially a replacement of Dauphin class submarines.

The Chief of Naval Staff expressed his gratitude to the government for a timely decision in this context, along with the government's acknowledgement of the Navy's urgent need to replace its ageing surface ships. He said that the proposal now under active consideration of the government was to acquire the capability to build warships at Karachi shipyard, where the required infrastructure exists. The proposal would provide stimulus to down stream industry and added employment opportunity to our skilled personnel.

Meanwhile, Air Chief Marshal Muhammad Abbas Khat-tak, Chief of the Air Staff has said, "Pakistan Air Force [PAF] is a professional force and is fully capable of defending the aerial frontiers". He said that despite our limited resources, we have maintained our cutting edge through realistic and better training, because the Air Force invests heavily in human resource development.

He was addressing the quarterly Air Staff presentation at Air Headquarters, Chaklala on Monday [31 July].

The Air Staff presentation is a quarterly event held under the chairmanship of Chief of the Air Staff and is attended by the entire Air Staff including the Vice Chief of the Air Staff, Deputy Chiefs of the Air Staff heading the various branches, Air Officer's Commanding, Base Commanders and Field Commanders.

The presentation is an evaluation of the performance of the Commands and PAF Bases during the quarter under review. It provides an opportunity to the Air Staff to scrutinize all Air Force activities, highlight the weaknesses if any and also give kudos for creditable performance where due.

At Monday's presentation, the Air Chief expressed his satisfaction of the PAF's performance during the last quarter.

Officials Comment on Government-Altat Group Talks

Minister Says Doors 'Still Open'

BK0108145495 Islamabad Radio Pakistan Network in English 1400 GMT 1 Aug 95

[FBIS Translated Text] The federal minister for law, justice, and parliamentary affairs and head of the government negotiating team, Professor N.D. Khan, has said doors of government are still open for talks with the Altat Group. Talking to newsmen in Islamabad today, he said differences must be resolved through table talks.

He said they had objection on calling them Altat Group, but their attitude was not so stiff previously. The law minister called upon intellectuals of the country to ask the Altat Group not to stay away from the talks and join the efforts of the government for restoring peace in Karachi.

Asked as to what achievement the two sides made during the four round of talks which have so far taken place, he said consensus emerged on a number of points during these rounds. Both the sides had agreed to cooperate with each other for bringing peace in Karachi and promised not to issue provoking statements.

Answering another question, he said in the first phase the single point of establishment of peace in Karachi should be discussed, adding that the charters of demands presented from both the sides are secondary things. Professor N.D. Khan said the people of the country wanted to see peace in Karachi and that joint efforts must be made to achieve this noblest objective.

Official Regrets 'Dual Policy'

BK0108122095 Islamabad THE NATION in English 1 Aug 95 pp 1, 15

[FBIS Transcribed Text] Karachi — Leader of the Opposition Mohammad Nawaz Sharif has said that Political situation in the country is worst of its kind and it has forced the democratic parties to make strategy for bringing change in the House. He was addressing a crowded Press conference on Monday [31 July] afternoon. He said that there is consensus on the formation of political alliance against the government but he did not point out his line of action. He, however said that such a situation may emerge but it is not necessary to say anything he said. [sentence as published]

He said that all the political parties have reached the consensus that MQM [Muhajir Qaumi Movement]-Government talks will be successful, the failure of which will push the country to disastrous situation. In this context, he said 'we postponed our all parties conference on Karachi issue, as we sincerely wanted that negotiations should be held in a congenial atmosphere and it should be successful.'

As a matter of fact, he said 'I was out of the country and I must take first hand information for which he asked the newsmen to tell him the current situation'. He was informed that Karachi situation is worst and the people want to get rid of this crisis. When asked what is the solution to Karachi crisis according to PML (N) [Pakistan Muslim League - Nawaz] he did not reply and instead asked the newsmen, 'You tell me what role PML (N) can play in this crucial situation.' He was

told that opinion for holding all parties conference still persists on which he replied that by holding all parties conference, we wanted to convince the government to sit on the negotiating table. He, however, regretted that government is adopting dual policy in the talks. On the one hand, the government is seeking Altaf Hussain's extradition from Britain while on the other hand, it is holding talks with the MQM which clearly indicates that the government is not sincere in negotiations.

When asked that the elections will be held in 1998 after the completion of PPP's [Pakistan People's Party's] tenure, he replied 'we also came in power for five years, we were dislodged, why the elections will be held in 1998, it could be held earlier.'

When his attention was drawn that situation is deteriorating as was in 'your days'. 'The powers that be gave a charge sheet against you, what role these powers will play if talks failed, he simply replied this is to be decided by these powers. It is not our affair.' He expressed his concern over the situation and said that half of the Sindh is bleeding while the rest of the province is inundated. This situation is pathetic for every citizen. He criticised the performance of the PPP government and reiterated that his struggle against PPP will continue.

He said that Pakistan has been declared dangerous for investment by the international agencies. The deteriorating law and order and price hike are the major problems confronting the people.

Nawaz Sharif also criticised that government for what he termed its failure to initiate prompt relief works for the flood victims. He pointed out that his government did not waste a minute and immediately launched the flood relief operation.

'It is amusing that Prime Minister has given two weeks time to report about the flood-hit areas.' Actually, he said that the country is running on loan. The aircraft on which Prime Minister is travelling is also on loan. This is the economic situation of the country the Opposition Leader said.

He said that Benazir Bhutto is in the habit of undermining the other political parties because she does not accept the public mandate.

The Opposition Leader said if the government continues its rigid policies, the country will have to face disastrous situation. The PML (N) he said, wants positive outcome of the government-MQM talks.

The government, he said, is using all resources to unseat Ejaz Shafi arresting Abu Bakar Sheikhani and harassing the Nawaz Sharif family instead of mobilising resources to bring normalcy in the city of Karachi, he said. While

giving suggestion to break the deadlock, he said that the government must show flexibility in his stance. All depends on the sincerity of the government.

Sri Lanka

Foreign Minister To Begin Pakistan Visit

BK3007142395 Colombo Sri Lanka Broadcasting Corporation International Service in English
1045 GMT 30 Jul 95

[FBIS Transcribed Text] Sri Lanka's Foreign Minister Lakshman Kadirgamar will arrive in Islamabad today on an official visit to Pakistan. During his three-day stay in that country, he will call on President Farooq Ahmad Leghari and Prime Minister Benazir Bhutto. He will hold discussions with his Pakistani counterpart, Asif Ahmad Ali, on bilateral matters and issues of regional importance.

Sri Lankan foreign secretary, R.C.A. Vendergert, said the two foreign ministers will review the progress made since the SAARC [South Asian Association for Regional Cooperation] summit was held in New Delhi three months ago. They will also exchange notes on the preparation for SAARC 10th anniversary celebrations scheduled to be held in the Indian capital in December this year. Kadirgamar had planned to visit all SAARC member countries when he took office last year.

Tamil Party, Academics Welcome Devolution Package

BK3107130795 Colombo Sri Lanka Broadcasting Corporation International Service in English
1045 GMT 31 Jul 95

[FBIS Transcribed Text] The Tamil United Liberation Front, TULF, yesterday welcomed the government's devolution proposals as published in the media, describing them as a bold attempt by the president to frame a meaningful arrangement for sharing of power. A TULF statement signed by the party president, M. Sivasithamparam, said they believed that the spirit of reconciliation reflected in the proposals will facilitate resolution of all issues which are relevant to an effective sharing of power. He said that the present proposals had several features which were significant advance on any previous attempts at a political solution and as such the TULF welcomed the proposals. The statement appealed to all political parties and concerned groups and all sections of the people to seize this opportunity to frame a permanent solution to the national question.

A group of intellectuals, academics and professionals in a statement issued yesterday described the published devolution proposals as unambiguous and clear and said

they should set at rest the fears and doubts of those arguing that the national government will be weakened by a devolution of power. This group said that if the published version was in fact correct, the package contained the main elements essential for the system of devolution that would promote national unity and help in the political solution of the ethnic conflict.

Rebel Death Toll in Recent Clash Reaches 482

*BK3107121895 Colombo Sri Lanka Broadcasting Corporation International Service in English
1045 GMT 31 Jul 95*

[FBIS Transcribed Text] The deputy defense minister, Colonel Anuruddha Ratwatte, yesterday toured the Weli Oya area and congratulated the troops for their magnificent performance during Friday's [28 July] counteroffensive against the LTTE [Liberation Tigers of Tamil Eelam] terrorists. The deputy minister said that the government and the country were proud of the security forces. He also promoted several officers and soldiers for their gallantry. He was accompanied by Army Commander Lieutenant General Gerry de Silva and Brigadier Janaka Perera. Captain R.V. Seneviratne, who fought bravely at the Weli Oya battle was promoted to the rank of a major. He also visited the Kokkilai village and inquired into the welfare of (?fishermen) families and security forces. Meanwhile, the security forces say that the LTTE's death toll in the Weli Oya clash is reported to be 482; 500 terrorists seriously injured and 389 are disabled. The security forces say that the Tiger radio mes-

sages have confirmed that the Mannar political leader (Yane) and the Kilinochchi LTTE leader (Ilankian) were killed in the clash. Around 3,000 LTTE terrorists had carried out the Weli Oya attack. Fifteen LTTE boats, including four water jets, have been destroyed by the Sri Lanka Navy.

Colombo Confirms Death of Army Brigadier

*BK3107134395 Colombo Sri Lanka Broadcasting Corporation International Service in English
1045 GMT 31 Jul 95*

[FBIS Transcribed Text] The Army yesterday lost its eastern Batticaloa division commander, Brigadier Nalin K.B. Angammana, in a pressure mine blast off Valachchenai on the Valachchenai-Mukaral Road. His ADC [aide d'camp] Captain (Vureka Randene) and intelligence officer Colonel Parakrama Dissanayake were wounded along with 13 others in the explosion which ripped the path of the brigadier's Land Rover [vehicle] around 0930 last morning. Brig. Angammana, the general officer commanding, Army's third division, was on his way back to Valachchenai after inspecting the Mukaral detachment which came under heavy terrorist assaults just a few hours earlier. He had been concerned after hearing about the Mukaral attack, one of Brig. Angammana's colleagues in Batticaloa said. He wanted to inspect the detachment and to talk to troops there, he said.

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